

**THE PRAIRIE ENTHUSIASTS, INC.
AND SUPPORTING ORGANIZATION**

**CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

YEAR ENDED MARCH 31, 2025



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THE PRAIRIE ENTHUSIASTS, INC. AND SUPPORTING ORGANIZATION
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YEAR ENDED MARCH 31, 2025

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INDEPENDENT AUDITORS' REPORT

Board of Directors
The Prairie Enthusiasts, Inc. and Supporting Organization
Viroqua, Wisconsin

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of The Prairie Enthusiasts, Inc. (a nonprofit organization) and Supporting Organization, which comprise the consolidated statement of financial position as of March 31, 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of The Prairie Enthusiasts, Inc. and Supporting Organization as of March 31, 2025, and the changes in their net assets and their 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 The Prairie Enthusiasts, Inc. and Supporting Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the 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 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 The Prairie Enthusiasts, Inc. and Supporting Organization's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the 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 The Prairie Enthusiasts, Inc. and Supporting Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about The Prairie Enthusiasts, Inc. and Supporting Organization's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary consolidating information on pages 19 through 21 and the information related to land acquisitions on page 22 is presented for the purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information listed in the table of contents are fairly stated in all material respects in relation to the consolidated financial statements as a whole.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Middleton, Wisconsin
July 29, 2025

THE PRAIRIE ENTHUSIASTS, INC. AND SUPPORTING ORGANIZATION
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
MARCH 31, 2025

ASSETS

CURRENT ASSETS

Cash and Cash Equivalents	\$ 405,170
Grants Receivable	49,870
Promises to Give	32,250
Other Assets	111,248
Total Current Assets	<u>598,538</u>

PROPERTY AND EQUIPMENT

Land and Improvements	13,689,679
Equipment	365,241
Total	<u>14,054,920</u>
Less: Accumulated Depreciation	(310,682)
Property and Equipment, Net	<u>13,744,238</u>

OTHER ASSETS

Restricted Cash and Investments	4,808,453
Investments	44,948
Total Other Assets	<u>4,853,401</u>

Total Assets	<u><u>\$ 19,196,177</u></u>
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts Payable	\$ 75,498
Deferred Revenue	11,016
Accrued Salaries and Expenses	67,008
Total Current Liabilities	<u>153,522</u>

Total Liabilities	153,522
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NET ASSETS

Without Donor Restrictions:	
Undesignated	835,171
Board-Designated	44,948
Total Without Donor Restrictions	<u>880,119</u>

With Donor Restrictions	18,162,536
Total Net Assets	<u>19,042,655</u>

Total Liabilities and Net Assets	<u><u>\$ 19,196,177</u></u>
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See accompanying Notes to Consolidated Financial Statements.

THE PRAIRIE ENTHUSIASTS, INC. AND SUPPORTING ORGANIZATION
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED MARCH 31, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE, SUPPORT, AND GAINS			
Contributions	\$ 664,137	\$ 681,799	\$ 1,345,936
Contributions of Nonfinancial Assets	42,559	-	42,559
Grants	42,656	1,012,237	1,054,893
Special Events	44,769	-	44,769
Fee for Services	32,752	-	32,752
USDA Program Income	63,755	-	63,755
Sales and Rents	74,929	-	74,929
Investment Income	40,126	207,637	247,763
Other	328	-	328
Net Assets Released from Restrictions	434,111	(434,111)	-
Total Revenue, Support, and Gains	<u>1,440,122</u>	<u>1,467,562</u>	<u>2,907,684</u>
EXPENSES			
Program Services	1,031,096	-	1,031,096
Supporting Activities:			
Operations and Grant Administration	362,395	-	362,395
Fundraising	197,992	-	197,992
Total Expenses	<u>1,591,483</u>	<u>-</u>	<u>1,591,483</u>
CHANGE IN NET ASSETS	(151,361)	1,467,562	1,316,201
Net Assets - Beginning of Year	<u>1,031,480</u>	<u>16,694,974</u>	<u>17,726,454</u>
NET ASSETS - END OF YEAR	<u><u>\$ 880,119</u></u>	<u><u>\$ 18,162,536</u></u>	<u><u>\$ 19,042,655</u></u>

See accompanying Notes to Consolidated Financial Statements.

THE PRAIRIE ENTHUSIASTS, INC. AND SUPPORTING ORGANIZATION
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED MARCH 31, 2025

	Program Services	Operations and Grant Administration	Fundraising	Total Expenses
Land Management				
Contractors	\$ 166,103	\$ -	\$ -	\$ 166,103
Supplies	32,722	-	-	32,722
Equipment Maintenance and Repairs	32,567	-	-	32,567
Other	24,282	-	-	24,282
Total Land Management	255,674	-	-	255,674
Personnel	536,348	195,578	116,218	848,144
Meetings and Programs	36,537	23,652	5,399	65,588
Operating Expenses				
Printing	43,238	3,088	15,442	61,768
Cost of Goods Sold	21,233	-	-	21,233
Rent	9,523	3,174	3,174	15,871
Other	13,273	9,151	16,042	38,466
Total Operating Expenses	87,267	15,413	34,658	137,338
Fees and Services	72,404	127,752	41,717	241,873
Depreciation	34,020	-	-	34,020
Real Estate Taxes	8,846	-	-	8,846
Total Expenses by Function	<u>\$ 1,031,096</u>	<u>\$ 362,395</u>	<u>\$ 197,992</u>	<u>\$ 1,591,483</u>

See accompanying Notes to Consolidated Financial Statements.

THE PRAIRIE ENTHUSIASTS, INC. AND SUPPORTING ORGANIZATION
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED MARCH 31, 2025

CASH FLOWS FROM OPERATING ACTIVITIES

Change in Net Assets	\$ 1,316,201
Adjustments to Reconcile Change in Net Assets to	
Net Cash Provided by Operating Activities:	
Depreciation	34,020
Loss on Disposal of Property and Equipment	1,500
Net Realized and Unrealized Investment Gains	(157,566)
Changes in Operating Assets and Liabilities:	
Grants Receivable	29,189
Promises to Give, Net	(26,750)
Other Assets	(55,696)
Accounts Payable	22,186
Deferred Revenue	(1,380)
Accrued Salaries and Expenses	9,150
Net Cash Provided by Operating Activities	<u>1,170,854</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of Property and Equipment	(1,271,268)
Purchases of Investments	
Restricted for Long-Term Purposes	(1,737,228)
Proceeds from Sales of Investments	
Restricted for Long-Term Purposes	1,473,965
Net Change in Board-Designated Cash and Investments	<u>(2,561)</u>
Net Cash Used by Investing Activities	<u>(1,537,092)</u>

NET CHANGE IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH (366,238)

Cash, Cash Equivalents, and Restricted Cash - Beginning of Year 1,854,603

CASH, CASH EQUIVALENTS, AND RESTRICTED CASH - END OF YEAR \$ 1,488,365

RECONCILIATION OF CASH, CASH EQUIVALENTS, AND RESTRICTED CASH

Cash and Cash Equivalents	\$ 405,170
Restricted Cash included in Restricted Cash and Investments	<u>1,083,195</u>
Total	<u><u>\$ 1,488,365</u></u>

See accompanying Notes to Consolidated Financial Statements.

THE PRAIRIE ENTHUSIASTS, INC. AND SUPPORTING ORGANIZATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2025

NOTE 1 ORGANIZATION AND CONSOLIDATION

The Prairie Enthusiasts, Inc. (TPE) is a grassroots organization committed to the protection and management of native prairie and savanna of the Upper Midwest. TPE's primary goal is ensuring the preservation, restoration and management of remaining native prairies and savannas, educating the public about their area's prairie and savanna heritage, and assisting other public agencies and private groups in restoring prairie and savanna communities. TPE's activities are funded primarily by contributions from members and other supporters and by grants. TPE is organized into twelve regional chapters. TPE Central's board of directors consists of representatives from each chapter's board of directors and invited members-at-large. This organizational structure is intended to promote local-level leadership and involvement while sharing a common vision and common resources across the organization.

Prairie Enthusiasts Trust is a Type I supporting organization of TPE under the provisions of Internal Revenue Code section 509(a)(3).

The accompanying financial statements of TPE have been prepared on a consolidated basis to include its supporting organization. TPE's board of directors exercises significant control over this organization through the appointment of the Trustees. References to the "Organization" refer to the consolidated group. All significant transactions between TPE and Prairie Enthusiasts Trust have been eliminated in the consolidation.

The following summary of significant accounting policies is presented to enhance the usefulness of the consolidated financial statements to the reader.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Financial Statement Presentation

The consolidated financial statements are presented in accordance with professional standards, which require the Organization to report information regarding its financial position and activities according to two classes of net assets:

Net Assets Without Donor Restrictions – consist of investments and otherwise unrestricted amounts that are available for use in carrying out the mission of the Organization and include those expendable resources which have been designated for special use by TPE's board of directors.

THE PRAIRIE ENTHUSIASTS, INC. AND SUPPORTING ORGANIZATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2025

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Statement Presentation (Continued)

Net Assets With Donor Restrictions – consist of net assets that are subject to either donor-imposed time restrictions or donor-imposed purpose 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. These restrictions limit the Organization's choices of when to use these resources. 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.

Estimates

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

Income Taxes

TPE and its supporting organization are nonprofit organizations exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC) and Wisconsin franchise or income tax.

The Organization has adopted the accounting guidance for recognizing and measuring uncertain tax positions. The Organization follows the statutory requirements for their income tax accounting and generally avoids risks associated with potentially problematic tax positions that may be challenged upon examination. Management believes any liability resulting from taxing authorities imposing additional income taxes from activities deemed to be unrelated to the Organization's tax-exempt status would not have a material effect on the accompanying consolidated financial statements.

The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits in progress for any tax periods.

Cash and Cash Equivalents

For the purposes of the consolidated statement of cash flows, the Organization considers all highly liquid debt instruments with a maturity of three months or less as of the purchase date to be cash equivalents, unless they are held as part of the investments restricted for long-term purposes.

Grants Receivable

The Organization considers all receivables to be fully collectible. Accordingly, no allowance for uncollectible accounts is presented. If amounts become uncollectible, they will be charged to operations when that determination is made.

THE PRAIRIE ENTHUSIASTS, INC. AND SUPPORTING ORGANIZATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2025

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Promises to Give

Unconditional promises to give are recognized as support or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. Uncollectible promises are written off after management has used reasonable collection efforts and determines the promises will not be collected. All promises to give as of March 31, 2025 are expected to be collected within the following year.

Property and Equipment

The Organization capitalizes all expenditures in excess of \$5,000 for property and equipment with a useful life greater than one year. Purchased property and equipment are carried at cost. Donated property and equipment are carried at the approximate fair value at the date of donation. Such donations are reported as support without donor restrictions 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 support with donor restrictions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expiration of donor restrictions when the donated or acquired assets are placed in service and the Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. Property and equipment are depreciated using the straight-line method over the estimated useful lives of the assets.

Investments

Investments consist primarily of assets invested in marketable equity and debt securities and money-market accounts and are stated at fair value. Cash equivalents held within the Organization's investment portfolio are readily available, but it is the intent of the Organization to hold these funds for investment purposes and, therefore, it has classified them as investments. Interest income is recognized when earned. Realized investment gains and losses arising from the sale, collection, or other disposition of investments are determined using the specific identification method. Unrealized investment gains and losses are recognized on a current basis.

The Organization has established guidelines relative to diversification and maturities that target certain safety and liquidity risk levels. These guidelines are periodically reviewed and modified. Investment securities in general, are subject to various risks, such as interest rate, credit and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that the changes in the value of investment securities will occur in the near term and that such change could materially affect the amounts reported in the consolidated financial statements.

THE PRAIRIE ENTHUSIASTS, INC. AND SUPPORTING ORGANIZATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2025

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurements

The Organization reports investments 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. The Organization uses a fair value hierarchy, which prioritizes the valuation inputs into three broad levels. Level 1 inputs consist of quoted prices in active markets for identical assets that the reporting entity has the ability to access at the measurement date. Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the related asset. Level 3 inputs are unobservable inputs related to the asset.

Contributions

Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, 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.

Contributions of land, easements, and equipment are presented as support without donor restriction unless explicit donor stipulations specify how the donated assets must be used. Contributions are recorded at their appraised or fair market value. During the year ended March 31, 2025, the Organization received contributions of land valued at \$-0-.

Donated Goods and Services

Donated goods and services, if received, are reflected in the accompanying statements at their estimated fair values at date of receipt. Contributions of services are recognized if the services received create or enhance nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. For the year ended March 31, 2025, donated goods and services received by the Organization meeting the above criteria were valued at \$42,559 and included within program expenses on the consolidated statement of activities. In addition, many individuals volunteer their time and perform a variety of tasks that assist the Organization with its specific goals and programs.

THE PRAIRIE ENTHUSIASTS, INC. AND SUPPORTING ORGANIZATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2025

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Program Revenue

The Organization recognizes revenue from services provided within the year the service is completed. Performance obligations with clients are satisfied upon completion of the contracted services. Clients are billed once all required services have been provided based upon agreed upon rates with payments due from the client upon receipt of the invoices.

Conservation Easements

Conservation easements held by the Organization are not recognized as assets in the accompanying consolidated financial statements. Assets are defined as probable future economic benefits obtained or controlled by an entity; the Organization does not believe that the easements meet the definition criteria. Gifts of conservation easements are recognized as revenue and program expenses in equal amounts upon acquisition based on the estimated fair value of the easement at the date of the donation of the easement. Purchased easements are recognized as a program expense upon acquisition based on the acquisition cost of the easement. The value of conservation easements contributed and expensed were \$-0- during the year ended March 31, 2025.

Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the consolidated statements of activities and consolidated statement of functional expenses. Expenses that can be identified with a specific program are recorded directly according to their natural expense classification. Certain categories of expenses are attributable to more than one program or supporting function. Accordingly, certain costs have been allocated among the program services and supporting activities benefited on a reasonable basis that is consistently applied. The costs that are allocated include salaries and benefits which are allocated on the basis of time and effort.

Subsequent Events

The Organization has evaluated events and transactions for potential recognition or disclosure through July 29, 2025, the date the consolidated financial statements were available to be issued.

THE PRAIRIE ENTHUSIASTS, INC. AND SUPPORTING ORGANIZATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2025

NOTE 3 RESTRICTED CASH AND INVESTMENTS

Cash and investments are restricted as follows at March 31, 2025:

Restricted Cash:	
Land Management	\$ 433,558
Land Protection	637,609
Education and Outreach	12,028
Total Restricted Cash	<u>1,083,195</u>
Restricted Investments:	
Easement Monitoring	85,948
Legal Defense	149,086
Thomson Internship Endowment	226,718
Land Management	3,263,506
Total Restricted Investments	<u>3,725,258</u>
Total Restricted Cash and Investments	<u><u>\$ 4,808,453</u></u>

NOTE 4 INVESTMENTS

The investments of the Organization consist of cash and marketable securities and are presented in the consolidated financial statements at fair market value. Investments held as of March 31, 2025 are comprised of the following:

	Fair Market Value	Cost
Cash	\$ 31,025	\$ 31,025
Equity Exchange-Traded Funds	2,259,509	2,137,708
Bond Exchange-Traded Funds	1,479,672	1,474,957
Total	<u><u>\$ 3,770,206</u></u>	<u><u>\$ 3,643,690</u></u>

Investment income for the year ended March 31, 2025, is summarized as follows:

Interest and Dividends	\$ 98,281
Net Realized and Unrealized Gains	157,566
Investment Expenses	(8,084)
Total	<u><u>\$ 247,763</u></u>

THE PRAIRIE ENTHUSIASTS, INC. AND SUPPORTING ORGANIZATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2025

NOTE 5 FAIR VALUES MEASURED ON RECURRING BASIS

Fair values of assets measured on a recurring basis are as follows at March 31, 2025:

	Level 1	Level 2	Level 3	Total
Equity Exchange-Traded Funds	\$ 2,259,509	\$ -	\$ -	\$ 2,259,509
Bond Exchange-Traded Funds	1,479,672	-	-	1,479,672
Total	<u>\$ 3,739,181</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,739,181</u>

NOTE 6 CONCENTRATION OF CREDIT RISK

Financial instruments that potentially subject the Organization to credit risk consist principally of cash deposits and investments in excess of insured limits. The Organization maintains its cash balances in various financial institutions which are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per bank. The Organization also holds investments through a financial institution. These balances are not covered by the FDIC or the Securities Investor Protection Corporation. The Organization has not experienced any losses in these accounts and believes it is not exposed to any significant credit risk related to the balances.

NOTE 7 PROPERTY AND EQUIPMENT

Changes in fixed assets and accumulated depreciation during 2025 are summarized below:

	Land and Improvements	Equipment	Ruth Hine Collection	Accumulated Depreciation
Balance - April 1, 2024	\$ 12,535,054	\$ 248,598	\$ 1,500	\$ 276,662
Additions	1,154,625	116,643	-	-
Disposals	-	-	(1,500)	-
Depreciation	-	-	-	34,020
Balance - March 31, 2025	<u>\$ 13,689,679</u>	<u>\$ 365,241</u>	<u>\$ -</u>	<u>\$ 310,682</u>

Depreciation expense was \$34,020 for the year ended March 31, 2025.

THE PRAIRIE ENTHUSIASTS, INC. AND SUPPORTING ORGANIZATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2025

NOTE 8 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions at March 31, 2025, are available for the following purposes:

Thomson Internship Endowment	\$ 226,718
Legal Defense Fund	149,086
Education and Outreach	12,028
Easement Monitoring	85,948
Land Management Activities	3,701,085
Land Protection	637,609
Land	13,317,812
Restricted for Future Period	32,250
Total	<u><u>\$ 18,162,536</u></u>

NOTE 9 LEASES

The Organization leases office space in Viroqua, Wisconsin on a two year lease expiring on August 31, 2024. Subsequent to expiration on August 31, 2024, the lease is currently operating on a month-to-month basis. The Organization paid \$13,200 in rental expense for office space during the year ended March 31, 2025.

The Organization also leases out various land and buildings that it owns. Total rental income received during the year ended March 31, 2025 was \$42,503. The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received in future years:

<u>Year Ending March 31,</u>	<u>Amount</u>
2026	\$ 21,833
2027	21,833
2028	16,253
2029	14,482
2030	14,482
Thereafter	40,252
Total	<u><u>\$ 129,135</u></u>

NOTE 10 ENDOWMENT FUNDS

The Organization's endowment funds consist of both donor-restricted and board-designated endowment funds. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions as stated in Note 2.

THE PRAIRIE ENTHUSIASTS, INC. AND SUPPORTING ORGANIZATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2025

NOTE 10 ENDOWMENT FUNDS (CONTINUED)

Interpretation of Relevant Law

The state of Wisconsin enacted a version of the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA) effective July 20, 2009. The board of directors of the Organization has determined that its net assets with donor restrictions meet the definition of endowment funds under UPMIFA. The Organization has interpreted Wisconsin's enacted version of UPMIFA 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 classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment; and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. 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 Organization in a manner consistent with the standard of prudence prescribed by UPMIFA.

In accordance with Wisconsin's enacted version of UPMIFA, the Organization considers the following factors 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

Investment Policy

The Organization has adopted an investment policy for endowment assets that gives the board of directors the responsibility to act prudently and for the best long-term returns for the Organization and to monitor the investment fund management. Investments should be diversified as to minimize the risk of large losses unless under the circumstances it is clearly prudent to do so. Reasonable efforts should be taken to preserve capital and the purchasing power after spending, understanding that losses may occur in individual securities. Risk is present in all types of securities and investment styles and the board of directors recognizes some risk is necessary to produce long-term investment results. However, reasonable effort should be made to control risk. An evaluation will be done regularly to ensure risk assumed is commensurate with the given investment style and objective.

Board-Designated Endowments

TPE has established an Operations Endowment with the intention of providing annual support for administrative staff and overhead at TPE. The board of directors of TPE is responsible for the management and use of the fund. Annual distributions will commence after the target balance of \$1,000,000 is met.

THE PRAIRIE ENTHUSIASTS, INC. AND SUPPORTING ORGANIZATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2025

NOTE 10 ENDOWMENT FUNDS (CONTINUED)

Donor-Restricted Endowments

Contributions to permanent endowment funds will be held in perpetuity, and distributions may only be made from earnings and market gains (growth). Annual disbursements from permanent endowments are allowed. Annual distributions are calculated as 4% of the twelve-quarter average principal amount (13-point average) in the endowment, measured on December 31 of the current year. From time to time, the fair value of the assets associated with donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires to be retained as a fund of perpetual duration. In no case shall a disbursement be made which would cause the principal balance to drop below the value of donated funds.

The entire balance of a temporary endowment fund is available for distribution as needed, in accordance with the individual policy of the fund.

TPE will charge a 0.5% administration fee annually to all donor-restricted endowment funds.

Endowment net assets composition by type of fund as of March 31, 2025, consisted of the following:

	Without Donor Restrictions	With Donor Restrictions	Total
Board-Designated Endowment Funds	\$ 44,948	\$ -	\$ 44,948
Donor-Restricted Endowment Funds:	-		
Easement Monitoring	-	85,948	85,948
Legal Defense	-	149,086	149,086
Thomson Internship	-	226,718	226,718
General Use	-	39,135	39,135
Kalscheur Savanna	-	25,192	25,192
Adelman-Schwartz	-	27,709	27,709
Double Oak Savanna	-	98,532	98,532
Empire Sauk	-	20,452	20,452
Wade Easement	-	186,735	186,735
Mounds View	-	1,656,622	1,656,622
Sugar River Oak Savanna	-	67,385	67,385
Handrick Grassland	-	30,646	30,646
TNC Sites	-	10,862	10,862
Fox Glove Savanna	-	8,149	8,149
Gail Van Haren	-	235,610	235,610
Rattlesnake Ridge	-	157,292	157,292
Southwest Chapter	-	345,970	345,970
Ellis Shining Oaks	-	40,847	40,847
Rogala CE	-	62,496	62,496
Marowski Bluff	-	93,763	93,763
Sylvan Road	-	55,755	55,755
Big Hill Savana	-	100,354	100,354
Total Funds	<u>\$ 44,948</u>	<u>\$ 3,725,258</u>	<u>\$ 3,770,206</u>

THE PRAIRIE ENTHUSIASTS, INC. AND SUPPORTING ORGANIZATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2025

NOTE 10 ENDOWMENT FUNDS (CONTINUED)

During the year ended March 31, 2025, the Organization had the following endowment-related activities:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment Net Assets - Beginning of Year	\$ 42,387	\$ 3,376,759	\$ 3,419,146
Contributions	-	161,793	161,793
Investment Income	2,561	207,637	210,198
Appropriation of Endowment Assets for Expenditure	-	(20,931)	(20,931)
Endowment Net Assets - End of Year	<u>\$ 44,948</u>	<u>\$ 3,725,258</u>	<u>\$ 3,770,206</u>

NOTE 11 LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Organization monitors its liquidity so that it is able to meet its operating needs. The following table reflects the Organization's financial assets as of March 31, 2025, reduced by amounts not available for general expenditure within one year. Financial assets are considered unavailable when not liquid or not convertible into cash within one year, are assets held for others, assets restricted by donors for specific uses, perpetual endowments and accumulated earnings net of appropriations within one year, or because the board of directors has designated funds for specific reserves or long-term investments such as board-designated quasi-endowments. The board-designated amounts could be used within one year if approved by the board of directors.

Financial Assets:

Cash and Cash Equivalents	\$ 405,170
Grants Receivable	49,870
Promises to Give	32,250
Restricted cash and Investments	4,808,453
Investments	<u>44,948</u>
Total Financial Assets	5,340,691

Less those Unavailable for General Expenditure

Within One Year Due to:

Restricted Cash and Investments	(4,808,453)
Board-Designated Investments	<u>(44,948)</u>
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	<u>\$ 487,290</u>

NOTE 12 CONTINGENCIES

The Organization holds various conservation easements that may require the Organization to incur costs to monitor and defend the provisions of the easements. A Legal Defense Fund is maintained in case the Organization is called upon to defend an easement.

THE PRAIRIE ENTHUSIASTS, INC. AND SUPPORTING ORGANIZATION
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
MARCH 31, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	The Prairie Enthusiasts	The Prairie Enthusiasts Trust	Eliminations	Total
ASSETS				
CURRENT ASSETS				
Cash and Cash Equivalents	\$ 405,160	\$ 10	\$ -	\$ 405,170
Accounts Receivable	-	12,144	(12,144)	-
Grants Receivable	64,992	-	(15,122)	49,870
Promises to Give	32,250	-	-	32,250
Other Assets	111,248	-	-	111,248
Total Current Assets	613,650	12,154	(27,266)	598,538
PROPERTY AND EQUIPMENT				
Land and Improvements	13,689,679	-	-	13,689,679
Equipment	365,241	-	-	365,241
Total	14,054,920	-	-	14,054,920
Less: Accumulated Depreciation	(309,182)	-	-	(309,182)
Property and Equipment, Net	13,745,738	-	-	13,745,738
OTHER ASSETS				
Restricted Cash and Investments	1,544,947	3,263,506	-	4,808,453
Investments	44,948	-	-	44,948
Total Other Assets	1,589,895	3,263,506	-	4,853,401
Total Assets	<u>\$ 15,949,283</u>	<u>\$ 3,275,660</u>	<u>\$ (27,266)</u>	<u>\$ 19,197,677</u>
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES				
Accounts Payable	\$ 87,642	\$ 15,122	\$ (27,266)	\$ 75,498
Deferred Revenue	11,016	-	-	11,016
Accrued Salaries and Expenses	67,008	-	-	67,008
Total Current Liabilities	165,666	15,122	(27,266)	153,522
Total Liabilities	165,666	15,122	(27,266)	153,522
NET ASSETS				
Without Donor Restrictions:				
Undesignated	836,661	10	-	836,671
Board-Designated	44,948	-	-	44,948
Total Without Donor Restrictions	881,609	10	-	881,619
With Donor Restrictions	14,902,008	3,260,528	-	18,162,536
Total Net Assets	15,783,617	3,260,538	-	19,044,155
Total Liabilities and Net Assets	<u>\$ 15,949,283</u>	<u>\$ 3,275,660</u>	<u>\$ (27,266)</u>	<u>\$ 19,197,677</u>

THE PRAIRIE ENTHUSIASTS, INC. AND SUPPORTING ORGANIZATION
CONSOLIDATING SCHEDULE OF ACTIVITIES — WITHOUT DONOR RESTRICTIONS
YEAR ENDED MARCH 31, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	The Prairie Enthusiasts	The Prairie Enthusiasts Trust	Eliminations	Total
NET ASSETS WITHOUT DONOR RESTRICTIONS				
Revenue, Support, and Gains:				
Contributions	\$ 664,137	\$ -	\$ -	\$ 664,137
Contributions of Nonfinancial Assets	42,559	-	-	42,559
Grants	42,656	-	-	42,656
Special Events	44,769	-	-	44,769
Fee for Services	32,752	-	-	32,752
USDA Program Income	63,755	-	-	63,755
Sales and Rents	74,929	-	-	74,929
Investment Income	40,126	-	-	40,126
Other	15,450	-	(15,122)	328
Net Assets Released from Restrictions	418,989	15,122	-	434,111
Total Revenue, Support, and Gains	1,440,122	15,122	(15,122)	1,440,122
Expenses:				
Program Services	1,031,096	-	-	1,031,096
Supporting Activities:				
Operations and Grant Administration	362,395	15,122	(15,122)	362,395
Fundraising	197,992	-	-	197,992
Total Expenses	1,591,483	15,122	(15,122)	1,591,483
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	(151,361)	-	-	(151,361)
Net Assets Without Donor Restrictions - Beginning of Year	1,031,470	10	-	1,031,480
NET ASSETS WITHOUT DONOR RESTRICTIONS - END OF YEAR	<u>\$ 880,109</u>	<u>\$ 10</u>	<u>\$ -</u>	<u>\$ 880,119</u>

THE PRAIRIE ENTHUSIASTS, INC. AND SUPPORTING ORGANIZATION
CONSOLIDATING SCHEDULE OF ACTIVITIES — WITH DONOR RESTRICTIONS
YEAR ENDED MARCH 31, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	The Prairie Enthusiasts	The Prairie Enthusiasts Trust	Eliminations	Total
NET ASSETS WITH DONOR RESTRICTIONS				
Revenue, Support, and Gains:				
Contributions	\$ 544,658	\$ 137,141	\$ -	\$ 681,799
Contributions of Nonfinancial Assets	-	-	-	-
Grants	1,012,237	-	-	1,012,237
Special Events	-	-	-	-
Fee for Services	-	-	-	-
USDA Program Income	-	-	-	-
Sales and Rents	-	-	-	-
Investment Income	24,191	183,446	-	207,637
Other	-	-	-	-
Net Assets Released from Restrictions	(418,989)	(15,122)	-	(434,111)
Total Revenue, Support, and Gains	<u>1,162,097</u>	<u>305,465</u>	<u>-</u>	<u>1,467,562</u>
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	1,162,097	305,465	-	1,467,562
Net Assets Without Donor Restrictions - Beginning of Year	<u>13,739,911</u>	<u>2,955,063</u>	<u>-</u>	<u>16,694,974</u>
NET ASSETS WITHOUT DONOR RESTRICTIONS - END OF YEAR	<u>\$ 14,902,008</u>	<u>\$ 3,260,528</u>	<u>\$ -</u>	<u>\$ 18,162,536</u>

THE PRAIRIE ENTHUSIASTS, INC. AND SUPPORTING ORGANIZATION
SOURCES AND USES OF FUNDS RESTRICTED FOR ACQUISITIONS
MULTI-YEAR THROUGH MARCH 31, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Capitalized			Open					
	Agaski Bluffs Empire	Uren Trust - Erb Empire	Total	Mueller Addn #2	Mukwonago Glacial Prairie	Hanley Farm Trust	Karow Glacial Prairie	Dower Prairie	Total
SOURCES									
Government Grants - DNR	\$ 167,500	\$ 385,500	\$ 553,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cost Reimbursement - DNR	4,028	5,849	9,877	-	-	-	-	-	-
Government Grants - County	10,000	395,000	405,000	-	-	-	-	-	-
Government Grants - USFWS	-	-	-	-	-	-	-	-	-
Donated Land	-	-	-	-	-	-	-	-	-
Foundation Contributions	-	10,000	10,000	-	-	-	-	-	-
Individual Contributions	127,989	126,703	254,692	-	306,745	198,432	-	-	505,177
Total Sources	309,517	923,052	1,232,569	-	306,745	198,432	-	-	505,177
USES									
Purchase of Land	335,000	780,000	1,115,000	-	-	-	-	-	-
Appraisals	2,250	4,200	6,450	5,700	3,500	-	2,500	600	12,300
Risk Assessment	1,700	-	1,700	-	-	-	-	-	-
Legal	5,240	10,666	15,906	-	1,825	-	-	-	1,825
Zoning and Permitting	-	-	-	-	-	-	-	-	-
Closing Costs	2,105	5,498	7,603	-	-	-	-	-	-
Legal Defense Fund	1,500	-	1,500	-	-	-	-	-	-
Monitoring Endowment	3,500	-	3,500	-	-	-	-	-	-
Land Management Endowment	-	-	-	-	-	-	-	-	-
Total Uses	351,295	800,364	1,151,659	5,700	5,325	-	2,500	600	14,125
Sources and Uses, Net	\$ (41,778)	\$ 122,688	\$ 80,910	\$ (5,700)	\$ 301,420	\$ 198,432	\$ (2,500)	\$ (600)	\$ 491,052

