Yellowstone Forever

Financial Statements as of and for the
Years Ended February 28, 2018 and 2017,
Independent Auditors' Report, and
Management's Discussion and Analysis

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INDEPENDENT AUDITORS' REPORT

The Finance Committee
Yellowstone Forever

We have audited the accompanying financial statements of Yellowstone Forever (the "Organization"), which comprise the statements of financial position as of February 28, 2018 and 2017, and the related statements of changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Organization's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Yellowstone Forever as of February 28, 2018 and 2017, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Deloitte & Touche LLP

July 27, 2018

YELLOWSTONE FOREVER

STATEMENT OF FINANCIAL POSITION
AS OF FEBRUARY 28, 2018

	Operating Fund	Capital Fund	Endowment Fund	2018 Total
ASSETS				
CURRENT ASSETS:				
Cash and cash equivalents	$ 686,865	$ 500	$ 500	$ 687,865
Investments	1,446,242	-	-	1,446,242
Accounts receivable	144,137	-	500	144,637
Pledges receivable	2,157,000	-	50,000	2,207,000
Inventory	743,455	-	-	743,455
Prepaid expenses	495,024	-	-	495,024
Due from other funds*	191,078	-	179,230	-
Total current assets	5,863,801	500	230,230	5,724,223
PROPERTY AND EQUIPMENT—At cost:				
Land, buildings, equipment, and improvements	-	15,794,281	-	15,794,281
Accumulated depreciation	-	(5,202,296)	-	(5,202,296)
Total property and equipment—net	-	10,591,985	-	10,591,985
LONG-TERM ASSETS:				
Endowment holdings	-	-	2,135,405	2,135,405
Pledges receivable—net of discount	1,651,418	-	-	1,651,418
Total long-term assets	1,651,418	-	2,135,405	3,786,823
TOTAL ASSETS	$ 7,515,219	$ 10,592,485	$ 2,365,635	$ 20,103,031
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES:				
Accounts payable and accrued liabilities	$ 1,116,690	$ -	$ -	$ 1,116,690
Deferred revenues	398,802	-	-	398,802
Grants payable—NPS	-	-	-	-
Grants payable—USFS	7,170	-	-	7,170
Due to other funds*	179,230	191,078	-	-
Total current liabilities	1,701,892	191,078	-	1,522,662
NET ASSETS:				
Unrestricted unallocated	3,192,174	-	-	3,192,174
Unrestricted allocated	-	10,401,407	4,695	10,406,102
Total unrestricted net assets	3,192,174	10,401,407	4,695	13,598,276
Temporarily restricted	2,621,153	-	281,767	2,902,920
Permanently restricted	-	-	2,079,173	2,079,173
Total net assets	5,813,327	10,401,407	2,365,635	18,580,369
TOTAL LIABILITIES AND NET ASSETS	$ 7,515,219	$ 10,592,485	$ 2,365,635	$ 20,103,031

*Amounts included in the "Due From Other Funds" and "Due to Other Funds" lines herein represent inter-fund activity which eliminates and is therefore excluded from the "2018 Total" column.

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

YELLOWSTONE FOREVER

STATEMENT OF FINANCIAL POSITION
AS OF FEBRUARY 28, 2017

	Operating Fund	Capital Fund	Endowment Fund	2017 Total
ASSETS				
CURRENT ASSETS:				
Cash and cash equivalents	$ 1,297,121	$ 500	$ 500	$ 1,298,121
Investments	3,838,155	-	-	3,838,155
Accounts receivable	110,280	-	-	110,280
Pledges receivable	1,275,262	-	75,000	1,350,262
Inventory	806,736	-	-	806,736
Prepaid expenses	514,290	-	-	514,290
Due from other funds*	92,756	-	615	-
Total current assets	7,934,600	500	76,115	7,917,844
PROPERTY AND EQUIPMENT—At cost:				
Land, buildings, equipment, and improvements	-	14,938,584	-	14,938,584
Accumulated depreciation	-	(4,444,921)	-	(4,444,921)
Total property and equipment—net	-	10,493,663	-	10,493,663
LONG-TERM ASSETS:				
Endowment holdings	-	-	1,862,178	1,862,178
Pledges receivable—net of discount	1,523,164	-	48,595	1,571,759
Total long-term assets	1,523,164	-	1,910,773	3,433,937
TOTAL ASSETS	$ 9,457,764	$ 10,494,163	$ 1,986,888	$ 21,845,444
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES:				
Accounts payable and accrued liabilities	$ 1,159,006	$ -	$ -	$ 1,159,006
Deferred revenues	404,553	-	-	404,553
Grants payable—NPS	77,915	-	-	77,915
Grants payable—USFS	9,553	-	-	9,553
Due to other funds*	615	92,756	-	-
Total current liabilities	1,651,642	92,756	-	1,651,027
NET ASSETS:				
Unrestricted unallocated	3,453,690	-	-	3,453,690
Unrestricted allocated	-	10,401,407	4,695	10,406,102
Total unrestricted net assets	3,453,690	10,401,407	4,695	13,859,792
Temporarily restricted	4,352,432	-	126,954	4,479,386
Permanently restricted	-	-	1,855,239	1,855,239
Total net assets	7,806,122	10,401,407	1,986,888	20,194,417
TOTAL LIABILITIES AND NET ASSETS	$ 9,457,764	$ 10,494,163	$ 1,986,888	$ 21,845,444

*Amounts included in the "Due From Other Funds" and "Due To Other Funds" lines herein represent inter-fund activity which eliminates and is therefore excluded from the "2017 Total" column.

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

YELLOWSTONE FOREVER

STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED FEBRUARY 28, 2018

	Operating Fund	Capital Fund	Endowment Fund	2018 Total
UNRESTRICTED REVENUES:				
Educational product sales—NPS stores—net of discounts	$ 5,062,453	$ -	$ -	$ 5,062,453
Less cost of goods sold	(2,306,175)	-	-	(2,306,175)
	2,756,278	-	-	2,756,278
Educational product sales—USFS stores—		-	-	
net of discounts	93,208	-	-	93,208
Less cost of goods sold	(44,745)	-	-	(44,745)
	48,463	-	-	48,463
Contributions and gifts	7,058,825	77,542	-	7,136,367
Educational tuition and fees	1,807,501	-	-	1,807,501
Investment earnings—net	90,741	-	-	90,741
Loss on disposal of property and equipment	-	(107)	-	(107)
Other revenues	105,070	4,245	-	109,315
Total unrestricted revenues before releases	11,866,878	81,680	-	11,948,558
Net assets released from restriction	5,900,553	-	54,306	5,954,859
TOTAL UNRESTRICTED REVENUES	17,767,431	81,680	54,306	17,903,417
EXPENSES				
PROGRAM SERVICE EXPENSES:				
National park service grants	7,254,559	80,533	-	7,335,092
US forest service grants	1,248	-	-	1,248
Educational product sales	2,577,924	412,462	-	2,990,386
Educational programming	2,550,742	260,921	7,865	2,819,528
Volunteer programming	197,296	7,186	-	204,482
Supporter education	1,192,581	21,323	-	1,213,904
Visitor and community engagement	268,937	11,549	-	280,486
Total program expenses	14,043,287	793,974	7,865	14,845,126
SUPPORTING SERVICES:				
Philanthropic fund development	2,626,000	83,866	-	2,709,866
Administration	603,620	6,321	-	609,941
Total supporting services	3,229,620	90,187	-	3,319,807
TOTAL EXPENSES	17,272,907	884,161	7,865	18,164,933
NET INCOME (LOSS) BEFORE TRANSFERS	494,524	(802,481)	46,441	(261,516)
TRANSFERS BETWEEN FUNDS	(756,040)	802,481	(46,441)	-
CHANGE IN UNRESTRICTED NET ASSETS	(261,516)	-	-	(261,516)
UNRESTRICTED NET ASSETS—Beginning of year	3,453,690	10,401,407	4,695	13,859,792
UNRESTRICTED NET ASSETS—End of year	$ 3,192,174	$ 10,401,407	$ 4,695	$ 13,598,276

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

YELLOWSTONE FOREVER

STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED FEBRUARY 28, 2018

	Operating Fund	Capital Fund	Endowment Fund	2018 Total
TEMPORARILY RESTRICTED ACTIVITY				
RESTRICTED REVENUES:				
Restricted contributions and gifts	$ 4,077,515	$ -	$ -	$ 4,077,515
Investment earnings—net	-	-	209,119	209,119
Present value adjustment of discount on pledges	91,759	-	-	91,759
Total restricted revenues	4,169,274	-	209,119	4,378,393
RELEASES FROM RESTRICTIONS	(5,900,553)	-	(54,306)	(5,954,859)
CHANGE IN TEMPORARILY RESTRICTED NET ASSETS	(1,731,279)	-	154,813	(1,576,466)
TEMPORARILY RESTRICTED NET ASSETS—Beginning of year	4,352,432	-	126,954	4,479,386
TEMPORARILY RESTRICTED NET ASSETS—End of year	$ 2,621,153	$ -	$ 281,767	$ 2,902,920
PERMANENTLY RESTRICTED ACTIVITY				
RESTRICTED REVENUES:				
Restricted contributions and gifts	$ -	$ -	$ 222,529	$ 222,529
Present value adjustment of discount on pledges	-	-	1,405	1,405
Total restricted revenues	-	-	223,934	223,934
PERMANENTLY RESTRICTED NET ASSETS—Beginning of year	-	-	1,855,239	1,855,239
PERMANENTLY RESTRICTED NET ASSETS—End of year	$ -	$ -	$ 2,079,173	$ 2,079,173
TOTAL CHANGES IN NET ASSETS:				
Change in unrestricted net assets	$ (261,516)	$ -	$ -	$ (261,516)
Change in temporarily restricted net assets	(1,731,279)	-	154,813	(1,576,466)
Change in permanently restricted net assets	-	-	223,934	223,934
Total change in net assets	(1,992,795)	-	378,747	(1,614,048)
TOTAL NET ASSETS—Beginning of year	7,806,122	10,401,407	1,986,888	20,194,417
TOTAL NET ASSETS—End of year	$ 5,813,327	$ 10,401,407	$ 2,365,635	$ 18,580,369

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

YELLOWSTONE FOREVER

STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED FEBRUARY 28, 2017

	Operating Fund	Capital Fund	Endowment Fund	2017 Total
UNRESTRICTED REVENUES:				
Educational product sales—NPS stores— net of discounts	$ 5,053,900	$ -	$ -	$ 5,053,900
Less cost of goods sold	(2,218,981)	-	-	(2,218,981)
	2,834,919	-	-	2,834,919
Educational product sales—USFS stores—		-	-	
net of discounts	88,396	-	-	88,396
Less cost of goods sold	(39,982)	-	-	(39,982)
	48,414	-	-	48,414
Contributions and gifts	5,929,315	23,691	-	5,953,006
Educational tuition and fees	1,662,458	-	-	1,662,458
Investment earnings—net	269,833	-	1,233	271,066
Loss on disposal of property and equipment	-	(34,066)	-	(34,066)
Other revenues	80,568	-	-	80,568
Total unrestricted revenues before releases	10,825,507	(10,375)	1,233	10,816,365
Net assets released from restriction	6,094,864	-	5,652	6,100,516
TOTAL UNRESTRICTED REVENUES	16,920,371	(10,375)	6,885	16,916,881
EXPENSES				
PROGRAM SERVICE EXPENSES:				
National park service grants	8,997,318	55,125	-	9,052,443
US forest service grants	24,161	1,260	-	25,421
Educational product sales	2,176,009	291,742	-	2,467,751
Educational programming	1,799,755	195,523	349	1,995,627
Volunteer programming	188,386	4,082	-	192,468
Supporter education	1,048,916	26,485	-	1,075,401
Visitor and community engagement	200,492	3,928	-	204,420
Total program expenses	14,435,037	578,145	349	15,013,531
SUPPORTING SERVICES:				
Philanthropic fund development	1,615,310	39,382	-	1,654,692
Administration	430,697	3,393	-	434,090
Total supporting services	2,046,007	42,775	-	2,088,782
TOTAL EXPENSES	16,481,044	620,920	349	17,102,313
NET INCOME (LOSS) BEFORE TRANSFERS	439,327	(631,295)	6,536	(185,432)
TRANSFERS BETWEEN FUNDS	(615,510)	620,920	(5,410)	-
CHANGE IN UNRESTRICTED NET ASSETS	(176,183)	(10,375)	1,126	(185,432)
UNRESTRICTED NET ASSETS—Beginning of year	3,629,873	10,411,782	3,569	14,045,224
UNRESTRICTED NET ASSETS—End of year	$ 3,453,690	$ 10,401,407	$ 4,695	$ 13,859,792

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

YELLOWSTONE FOREVER

STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED FEBRUARY 28, 2017

	Operating Fund	Capital Fund	Endowment Fund	2017 Total
TEMPORARILY RESTRICTED ACTIVITY				
RESTRICTED REVENUES:				
Restricted contributions and gifts	$ 4,673,555	$ -	$ -	$ 4,673,555
Investment earnings—net	-	-	136,351	136,351
Present value adjustment of discount on pledges	23,214	-	-	23,214
Total restricted revenues	4,696,769	-	136,351	4,833,120
RELEASES FROM RESTRICTIONS	(6,094,864)	-	(5,652)	(6,100,516)
CHANGE IN TEMPORARILY RESTRICTED NET ASSETS	(1,398,095)	-	130,699	(1,267,396)
TEMPORARILY RESTRICTED NET ASSETS—Beginning of year	5,750,527	-	(3,745)	5,746,782
TEMPORARILY RESTRICTED NET ASSETS—End of year	$ 4,352,432	$ -	$ 126,954	$ 4,479,386
PERMANENTLY RESTRICTED ACTIVITY				
RESTRICTED REVENUES:				
Restricted contributions and gifts	$ -	$ -	$ 947,842	$ 947,842
Present value adjustment of discount on pledges	-	-	3,390	3,390
Total restricted revenues	-	-	951,232	951,232
PERMANENTLY RESTRICTED NET ASSETS—Beginning of year	-	-	904,007	904,007
PERMANENTLY RESTRICTED NET ASSETS—End of year	$ -	$ -	$ 1,855,239	$ 1,855,239
TOTAL CHANGES IN NET ASSETS:				
Change in unrestricted net assets	$ (176,183)	$ (10,375)	$ 1,126	$ (185,432)
Change in temporarily restricted net assets	(1,398,095)	-	130,699	(1,267,396)
Change in permanently restricted net assets	-	-	951,232	951,232
Total change in net assets	(1,574,278)	(10,375)	1,083,057	(501,596)
TOTAL NET ASSETS—Beginning of year	9,380,400	10,411,782	903,831	20,696,013
TOTAL NET ASSETS—End of year	$ 7,806,122	$ 10,401,407	$ 1,986,888	$ 20,194,417

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

YELLOWSTONE FOREVER

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED FEBRUARY 28, 2018

	Program Service Expenses				
	National Park Service Grants	US Forest Service Grants	Educational Product Sales	Educational Programming	Volunteer Programming
OPERATING FUND EXPENSES:					
Grants and other assistance	$ 5,612,478	$ 1,248	$ -	$ -	$ -
Compensation and benefits	959,880	-	1,724,986	1,461,980	103,733
Professional fundraising services	190,729	-	-	-	-
Marketing	54,422	-	48,533	60,329	3,561
Publications and media	-	-	-	-	-
Office expenses	51,196	-	65,049	23,238	977
Legal fees	14,871	-	11,763	10,082	31
Auditing fees	37,085	-	29,334	25,141	77
Interest expense	-	-	20,955	-	-
Conferences and meetings	37,413	-	46,199	30,841	5,734
Bank and merchant account fees	14,362	-	119,888	26,246	5
Technology	142,863	-	119,873	249,614	5,103
Merchandising	-	-	62,469	-	-
Royalties	-	-	2,057	-	-
Facilities	46,606	-	197,452	150,643	3,921
Insurance	6,868	-	47,115	75,196	2,129
Vehicles	5,256	-	22,393	106,614	1,194
Community, supporter, and visitor engagement	61,638	-	-	-	-
Educational programming	-	-	-	303,196	-
Employee development, recruitment, and training	18,892	-	59,858	27,622	15,338
Volunteer programming	-	-	-	-	55,493
Total operating fund expenses	7,254,559	1,248	2,577,924	2,550,742	197,296
CAPITAL FUND EXPENSES— Depreciation expense	80,533	-	412,462	260,921	7,186
ENDOWMENT FUND EXPENSES—Bank and merchant fees	-	-	-	7,865	-
TOTAL	$ 7,335,092	$ 1,248	$ 2,990,386	$ 2,819,528	$ 204,482

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YELLOWSTONE FOREVER

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED FEBRUARY 28, 2018

	Program Service Expenses		Supporting Services		
	Supporter Education	Visitor and Community Engagement	Philanthropic Fund Development	Administration	Total
OPERATING FUND EXPENSES:					
Grants and other assistance	$ -	$ -	$ -	$ -	$ 5,613,726
Compensation and benefits	271,904	159,968	1,308,167	427,242	6,417,860
Professional fundraising services	-	-	477,975	-	668,704
Marketing	205	13,006	80,500	12,141	272,697
Publications and media	26,456	-	-	-	26,456
Office expenses	2,427	28,045	84,000	25,817	280,749
Legal fees	294	34	9,050	17,370	63,495
Auditing fees	732	86	22,569	43,318	158,342
Interest expense	-	-	-	-	20,955
Conferences and meetings	1,685	702	26,013	37,117	185,704
Bank and merchant account fees	14,142	6	31,261	2,907	208,817
Technology	268,840	9,275	328,834	9,894	1,134,296
Merchandising	-	-	-	-	62,469
Royalties	-	-	-	-	2,057
Facilities	10,075	10,406	70,998	15,545	505,646
Insurance	1,032	1,056	6,141	5,222	144,759
Vehicles	2,397	3,594	5,751	2,784	149,983
Community, supporter, and visitor engagement	589,461	28,231	154,468	-	833,798
Educational programming	-	12,819	-	-	316,015
Employee development, recruitment, and training	2,931	1,709	20,273	4,263	150,886
Volunteer programming	-	-	-	-	55,493
Total operating fund expenses	1,192,581	268,937	2,626,000	603,620	17,272,907
PLANT FUND EXPENSES—					
Depreciation expense	21,323	11,549	83,866	6,321	884,161
ENDOWMENT FUND EXPENSES—Bank and merchant fees	-	-	-	-	7,865
TOTAL	$ 1,213,904	$ 280,486	$ 2,709,866	$ 609,941	$ 18,164,933

The notes to financial statements are an integral part of these financial statements. (Concluded)

YELLOWSTONE FOREVER

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED FEBRUARY 28, 2017

	Program Service Expenses				
	National Park Service Grants	US Forest Service Grants	Educational Product Sales	Educational Programming	Volunteer Programming
OPERATING FUND EXPENSES:					
Grants and other assistance	$ 6,876,504	$ 18,926	$ -	$ -	$ -
Compensation and benefits	1,032,168	3,261	1,379,210	1,055,100	81,929
Professional fundraising services	388,066	-	-	-	-
Marketing	26,618	16	9,429	10,701	1,335
Publications and media	-	-	-	-	-
Office expenses	123,259	673	79,024	24,033	1,947
Legal fees	9,915	68	3,130	1,994	94
Auditing fees	60,571	417	19,120	12,181	574
Interest expense	-	-	6,955	-	-
Conferences and meetings	54,336	297	30,576	18,325	4,438
Bank and merchant account fees	36,491	72	117,011	32,856	99
Technology	64,973	108	133,547	82,835	8,919
Merchandising	-	-	156,594	-	-
Royalties	-	-	11,434	-	-
Facilities	43,294	77	132,313	99,600	2,171
Insurance	17,888	73	24,381	53,780	1,206
Vehicles	4,429	18	20,416	78,254	1,424
Community, supporter, and visitor engagement	230,761	88	4,026	2,565	121
Educational programming	-	-	-	299,743	-
Employee development, recruitment, and training	28,045	67	48,843	27,788	11,612
Volunteer programming	-	-	-	-	72,517
Total operating fund expenses	8,997,318	24,161	2,176,009	1,799,755	188,386
CAPITAL FUND EXPENSES—					
Depreciation expense	55,125	1,260	291,742	195,523	4,082
ENDOWMENT FUND EXPENSES—Bank and merchant fees	-	-	-	349	-
TOTAL	$ 9,052,443	$ 25,421	$ 2,467,751	$ 1,995,627	$ 192,468

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YELLOWSTONE FOREVER

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED FEBRUARY 28, 2017

	Program Service Expenses		Supporting Services		
	Supporter Education	Visitor and Community Engagement	Philanthropic Fund Development	Administration	Total
OPERATING FUND EXPENSES:					
Grants and other assistance	$ -	$ -	$ -	$ -	$ 6,895,430
Compensation and benefits	220,101	151,597	614,095	268,264	4,805,725
Professional fundraising services	-	-	480,295	-	868,361
Marketing	89	1,978	18,326	1,299	69,791
Publications and media	318,880	-	-	-	318,880
Office expenses	7,201	1,309	54,598	55,340	347,384
Legal fees	386	48	2,490	5,620	23,745
Auditing fees	2,359	295	15,210	34,333	145,060
Interest expense	-	-	-	-	6,955
Conferences and meetings	4,226	708	21,108	24,416	158,430
Bank and merchant account fees	409	51	34,813	5,947	227,749
Technology	11,486	15,679	56,720	8,905	383,172
Merchandising	-	-	-	-	156,594
Royalties	-	-	-	-	11,434
Facilities	6,812	3,715	23,819	6,314	318,115
Insurance	1,491	671	4,167	5,969	109,626
Vehicles	3,462	2,019	2,006	1,515	113,543
Community, supporter, and visitor engagement	468,473	21,419	273,021	7,230	1,007,704
Educational programming	-	-	-	-	299,743
Employee development, recruitment, and training	3,541	1,003	14,642	5,545	141,086
Volunteer programming	-	-	-	-	72,517
Total operating fund expenses	1,048,916	200,492	1,615,310	430,697	16,481,044
PLANT FUND EXPENSES— Depreciation expense	26,485	3,928	39,382	3,393	620,920
ENDOWMENT FUND EXPENSES—Bank and merchant fees	-	-	-	-	349
TOTAL	$ 1,075,401	$ 204,420	$ 1,654,692	$ 434,090	$ 17,102,313

The notes to financial statements are an integral part of these financial statements. (Concluded)

YELLOWSTONE FOREVER

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED FEBRUARY 28, 2018

	Operating Fund	Capital Fund	Endowment Fund	2018 Total
CASH FLOWS FROM OPERATING ACTIVITIES:				
Change in net assets	$ (1,992,795)	$ -	$ 378,747	$ (1,614,048)
Adjustments to reconcile change in net assets to net cash from operating activities:				
Depreciation	-	884,161	-	884,161
Loss on disposal of property and equipment	-	107	-	107
Unrealized gain on investments	(18,277)	-	(120,106)	(138,383)
Present value adjustment of discount on pledges	(32,396)	-	(1,405)	(33,801)
Permanently restricted contributions	-	-	(222,529)	(222,529)
Changes in operating assets and liabilities:	-	-	-	-
Accounts receivable	(33,857)	-	(500)	(34,357)
Pledges receivable	(977,597)	-	75,000	(902,597)
Inventory	63,281	-	-	63,281
Prepaid expenses	19,266	-	-	19,266
Accounts payable and accrued liabilities	(42,316)	-	-	(42,316)
Deferred revenues	(5,751)	-	-	(5,751)
Grants payable—NPS	(77,915)	-	-	(77,915)
Grants payable—USFS	(2,383)	-	-	(2,383)
Due to/from other funds	80,293	98,322	(178,615)	-
Net cash from operating activities	(3,020,447)	982,590	(69,408)	(2,107,265)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Payments for property and equipment	-	(982,590)	-	(982,590)
Proceeds from sale of investments	2,410,191	-	-	2,410,191
Payments for purchase of investments	-	-	(153,121)	(153,121)
Net cash from investing activities	2,410,191	(982,590)	(153,121)	1,274,480
CASH FLOWS FROM FINANCING ACTIVITIES:				
Proceeds from external borrowing	1,750,000	-	-	1,750,000
Payments on external borrowing	(1,750,000)	-	-	(1,750,000)
Permanently restricted contributions	-	-	222,529	222,529
Net cash from financing activities	-	-	222,529	222,529
NET CHANGE IN CASH AND CASH EQUIVALENTS	(610,256)	-	-	(610,256)
CASH AND CASH EQUIVALENTS—Beginning of year	1,297,121	500	500	1,298,121
CASH AND CASH EQUIVALENTS—End of year	$ 686,865	$ 500	$ 500	$ 687,865

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

YELLOWSTONE FOREVER

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED FEBRUARY 28, 2017

	Operating Fund	Capital Fund	Endowment Fund	2017 Total
CASH FLOWS FROM OPERATING ACTIVITIES:				
Change in net assets	$ (1,574,278)	$ (10,375)	$ 1,083,057	$ (501,596)
Adjustments to reconcile change in net assets to net cash from operating activities:				
Depreciation	-	620,920	-	620,920
Loss on disposal of property and equipment	-	34,066	-	34,066
Unrealized gain on investments	(233,566)	-	(21,927)	(255,493)
Present value adjustment of discount on pledges	(4,363)	-	1,405	(2,958)
Permanently restricted contributions	-	-	(947,842)	(947,842)
Changes in operating assets and liabilities:	-	-	-	-
Accounts receivable	178,690	-	(39)	178,651
Pledges receivable	1,617,379	-	(125,000)	1,492,379
Inventory	(159,846)	-	-	(159,846)
Prepaid expenses	(121,846)	-	-	(121,846)
Accounts payable and accrued liabilities	36,205	-	-	36,205
Deferred revenues	(10,711)	-	-	(10,711)
Grants payable—NPS	(38,210)	-	-	(38,210)
Grants payable—USFS	9,553	-	-	9,553
Due to/from other funds	(216,286)	216,901	(615)	-
Net cash from operating activities	(517,279)	861,512	(10,961)	333,272
CASH FLOWS FROM INVESTING ACTIVITIES:				
Payments for property and equipment	-	(865,369)	-	(865,369)
Proceeds from sale of investments	2,300,000	-	-	2,300,000
Payments for purchase of investments	(1,555,248)	-	(1,310,213)	(2,865,461)
Net cash from investing activities	744,752	(865,369)	(1,310,213)	(1,430,830)
CASH FLOWS FROM FINANCING ACTIVITIES:				
Proceeds from external borrowing	1,000,000	27,400	-	1,027,400
Payments on external borrowing	(1,000,000)	(208,628)	-	(1,208,628)
Permanently restricted contributions	-	-	947,842	947,842
Net cash from financing activities	-	(181,228)	947,842	766,614
NET CHANGE IN CASH AND CASH EQUIVALENTS	227,473	(185,085)	(373,332)	(330,944)
CASH AND CASH EQUIVALENTS—Beginning of year	1,069,648	185,585	373,832	1,629,065
CASH AND CASH EQUIVALENTS—End of year	$ 1,297,121	$ 500	$ 500	$ 1,298,121

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

1. BASIS OF CONSOLIDATION, NATURE OF OPERATIONS, AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations—Yellowstone Forever ("Organization") is an Internal Revenue Service recognized 501(c)(3) organization that serves as the official non-profit partner of Yellowstone National Park ("Park"). As the official non-profit partner of the Park, the Organization's purpose is to provide cash and in-kind aid through philanthropic and educational initiatives. The Organization's mission is to partner with Yellowstone National Park to create opportunities for all people to experience, enhance, and preserve Yellowstone forever. The Organization accomplishes its philanthropic purpose by funding cash grants to the National Park Service and US Forest Service, and fundraising for the Organization's educational operations. The Organization's philanthropic initiatives focus on the following areas: Cultural Treasurers, Greenest Park, Wildlife, Ranger Heritage, Visitor Experience, Tomorrow's Stewards, and general park support.

The Organization also accomplishes this purpose by providing in-kind aid through the operation of the Organization's Institute, the Organization's 10 Park Stores and 1 US Forest Service Store in and around the Park, operating a volunteer program, providing publications and online media for visitors and supporters, through the engagement of visitors and communities in and around the Park.

A summary of significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

Merger—The Organization was formed during the year ended February 28, 2017 through the merger of the Yellowstone Park Foundation ("the Foundation") and Yellowstone Association ("the Association") ("Merger"). The Merger was effected to align the Association and the Foundation in their efforts to support Yellowstone National Park. Previous to the Merger, the Foundation was a nonprofit organization, which supported projects and programs that protect, preserve, and enhance Yellowstone through philanthropic fund raising and the Association was a nonprofit organization which supported Yellowstone through educational, historical, and scientific programs as well as the sale of educational materials in retail locations through Yellowstone and the surrounding area.

On February 5, 2016, the Association and the Foundation signed a consolidation agreement whereby each entity would consolidate into New Yellowstone, a Montana Nonprofit Corporation. As stipulated in the consolidation agreement, all of the assets and liabilities of each entity were transferred to the Organization. The assets and liabilities were transferred to the Organization using the carryover method. In addition, as a result of the Merger, each of the 14 members of the respective boards of the Association and the Foundation were appointed as members of the board of the Organization. The Merger substantially occurred on March 1, 2016 ("Merger Date") subject to certain perfunctory activities that occurred during the fiscal year ended February 28, 2017. The Organization's financial statements have been presented starting as of the Merger Date.

The amounts recognized as of the Merger Date for each major class of assets and liabilities and each class of net assets were as follows:

Operating Fund	**Association**	**Foundation**	**Organization**
Current assets	$ 3,439,065	$ 5,260,977	$ 8,700,042
Property and equipment	10,235,468	47,812	10,283,280
Long-term assets	1,076,871	2,471,238	3,548,109
Total assets	14,751,404	7,780,027	22,531,431
Total liabilities	1,091,211	744,207	1,835,418
Unrestricted net assets	12,132,439	1,912,785	14,045,224
Temporarily restricted net assets	632,723	5,114,059	5,746,782
Permanently restricted net assets	895,031	8,976	904,007

Subsequent to the issuance of the Foundation's financial statements for the fiscal year ended February 29, 2016, and as a result of the Merger, the Organization's management identified errors included in the Foundation's financial statements for the year period ending February 28, 2016. These errors relate to certain accrued and prepaid expenses and classification of net assets that resulted in a $447,693 overstatement of unrestricted net assets and a $289,769 understatement of temporarily restricted net assets. These errors were corrected in the computation and presentation of opening beginning balances above and in the financial statements herein. Management believes the effects of the corrections and accounting convention alignment are immaterial to the financial statements as a whole.

Financial Statement Presentation—The accompanying financial statements are presented in accordance with accounting principles generally accepted in the United States of America (GAAP), as codified by the Financial Accounting Standards Board. Under GAAP, the Organization is required to report information regarding its financial position and activities according to three classes of net assets; unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Although the Organization is permitted to discontinue its use of fund accounting, it has chosen to maintain the principles of fund accounting to ensure observance of limitations and internal restrictions placed on the use of resources available to the Organization. The financial statements of the Organization have been prepared on the accrual basis of accounting.

Unrestricted net assets represent contributions available for support of the Organization's operations. Temporarily restricted net assets represent contributions, which have been restricted by the donor for a particular purpose or for a particular time period. Permanently restricted net assets represent contributions subject to donor-imposed stipulations that permanently restrict the use of the assets requiring them to be maintained by the Organization in perpetuity. The donors of these permanently restricted contributions permit the Organization to use income earned on related investments for general or specific purposes.

Revenues are reported as increases in unrestricted net assets unless the use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation. Expirations of temporary restrictions of net assets (i.e. the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between applicable classes of net assets.

Cash and Cash Equivalents—For purposes of the Statements of Cash Flows, the Organization considers all highly liquid investments, such as bank deposits, purchased with a maturity of three months or less to be cash equivalents. Endowment holdings consist of cash and mutual funds and are reported as investments instead of cash because the Organization holds those funds as an endowment.

Investments and Endowment Holdings—Investment and endowment holdings are reported at fair value in the accompanying Statements of Financial Position with the annual change in fair value due to realized and unrealized gains and losses recorded in the Investment Earnings, Net line of the Statements of Changes in Net Assets. Investment fees for the year ended February 28, 2018 were $5,689 and $8,214 for the operating and endowment investments, respectively, and for the year ended February 28, 2017 were $13,632 and $349 for the operating and endowment investments, respectively. Investment fees are recorded as unrestricted operating expenses in the Statements of Changes in Net Assets.

Accounts Receivable—Accounts receivable are uncollateralized customer obligations due under normal trade terms generally requiring payment within 30 days from the invoice date. However, the Organization has a variety of credit relationships with its customers and different trade terms are common. Customer account balances with invoices dated over 30 days are considered delinquent. Accounts receivable are stated at face amounts with no allowance for doubtful accounts. Management considers all receivables to be fully collectible.

Pledges Receivable—The Organization has elected to measure pledges to give at fair value if the pledges are expected to be collected more than one year after the Statement of Financial Position date. Pledges to give that are expected to be collected within one year are recorded as current assets on the Statements of Financial Position. Pledges to give that are expected to be collected in future years are recorded as long-term assets on the Statements of Financial Position. The fair value of the long-term pledges is computed using the Internal Revenue Service Applicable Federal Rate Long-Term (AFR) rate at the time of the calculation of the discount.

This measurement of fair value uses significant unobservable inputs (Level 3 inputs), including estimated timing of receipts and collectability. The accretion of the discount in subsequent years is reported as an additional contribution in the net asset class in which the original pledge was recorded. Payments are based on the underlying donor agreement. Uncollectible pledges are charged to bad debt once all attempts at collection have been exhausted. For the years ended February 28, 2017 and February 28, 2018 there were no significant pledge write-offs. Management considers all pledges as of February 28, 2018 to be collectible.

Inventory—Inventories are stated at the lower of cost or net realizable value using the first-in-first-out method of valuation. Inventories consist primarily of books, videos, maps, posters, and other educational products sold in retail outlets, by way of mail/internet sales, or to wholesale dealers. For the period ending February 28, 2017, $78,486 was written off because market value declined below costs due to restructuring of the Organization. The write off is included in the Educational Product Sales program service expense line of the Statements of Changes in Net Assets. For the period ending February 28, 2018, $24,240 was written off because market value declined below costs or net realizable value due to obsolescence of the product. The write off is included in the Cost of Goods Sold lines on the Statements of Changes in Net Assets.

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

Land	Not depreciated
Land improvements	10 years
Buildings	30 years
Building improvements	20 years
Leasehold improvements	Up to 20 years
Equipment	5–7 years
Vehicles	5 years
Technology equipment	3 years

Marketing Costs—Marketing costs are expensed as incurred.

Support—Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets. The Organization reports gifts of cash and other assets as restricted support if they are received with a donor stipulation that limit the use of the donated assets, or if they are designated as support for future periods. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statements of Changes in Net Assets as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as unrestricted support.

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

The Organization only recognizes unconditional contributions received and promises to give. Conditional contributions and promises to give are not included as support until such time as the conditions are substantially met.

In-Kind Support—The Organization records various types of in-kind support including professional service fees and services, instructor fees, fixed assets, and inventory.

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

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

Use of Estimates—The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. For the preparation of these financial statements, estimates were used in:

- The assessment of collectability of accounts and pledges receivable
- The present value discount of future payments on pledges receivable
- The estimated useful lives of capital assets
- The allocation of expenses amongst program and supporting services (see Functional Allocation of Expenses below for further information)

Fair Value—Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability in an orderly transaction between market participants on the measurable date. Valuation techniques used to measure fair value maximize the use of observable inputs and minimize the use of unobservable inputs, using the market value approach. A fair value hierarchy has been established by GAAP, which classifies the valuation inputs into three broad levels:

Level 1—Quoted market prices available through public exchange venues for identical assets or liabilities.

Level 2—Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market date for substantially the full term of the assets or liabilities.

Level 3—Unobservable inputs for the asset or liability due to little or no market activity at the measurement date.

A financial instrument's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The Organization's policy for determining the timing of significant transfers between Levels 1, 2, and 3 is at the end of the reporting period.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at February 28, 2018.

Level 1—*Money Market Fund:* Valued at fair value by discounting the related cash flows based on current yields of similar instruments considering the credit worthiness of the issuer.

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

Level 3*—Present Value of Pledges Receivable:* Valued at year-end using the published AFR rate from the Internal Revenue Service to discount the expected future cash flows from pledges receivable due more than 12 months from the date of the Statements of Financial Position

Functional Allocation of Expenses—The costs of providing the various programs and other activities of the Organization have been presented on a functional basis in the Statements of Functional Expenses. Accordingly, certain costs have been allocated among the programs benefited. For specific functional areas, costs not specific to a functional area are allocated using the following parameters:

- Finance—allocated based upon the average of revenues and expenses coming into each function
- Administration—allocated based upon estimated time administrative staff spends working with each function
- Employee and Volunteer Engagement—allocated based upon number of employees per function
- Marketing—allocated based upon the projects being undertaken by the marketing team for each function
- Facilities—allocated based upon usage of square footage by each function
- Vehicles—allocated based upon usage of vehicles by each function
- Technology—allocated based upon the number of workstations used by each function
- Contact Center—allocated based upon a weighted average of revenues coming in each function
- Web—allocated based upon total revenues coming in through the website for each function
- Philanthropy—allocated based upon a ratio of funds that are restricted for park projects to total funds raised for each function

Recently Adopted Accounting Pronouncements—In July 2015, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2015–11, *Simplifying the Measurement of Inventory*. This ASU requires entities to measure inventory at the lower of cost or net realizable value. Under previous guidance, the Organization measured inventory at the lower of cost or market. The Organization adopted this standard at February 28, 2018; therefore, the Organization's inventories as of February 28, 2018 are stated at the lower of cost or net realizable value. The adoption of this ASU did not have a material impact on the current year financial results nor did it impact the comparability of information in the periods presented within the financial statements.

Recent Accounting Pronouncements not yet Adopted—In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*. ASU 2014-09 is intended to enable users of financial statements to better understand and consistently analyze an entity's revenue across industries, transactions, and geographies. Under the

ASU, recognition of revenue occurs when a customer obtains control of promised goods or services. In addition, the ASU requires disclosure of the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. This standard is effective for annual periods beginning after December 15, 2018, with early adoption permitted. The Organization continues to assess the impacts of ASU 2014-09 on its financial statements, including disclosure requirements. At this time, the Organization does not know, and cannot reasonably estimate, the dollar impact of the adoption.

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, intended to improve financial reporting about leasing transactions. The ASU significantly changes the accounting model used by lessees to account for leases, requiring that all material leases be presented on the balance sheet. Under the current model, some leases are classified as capital leases and recorded on the balance sheet while other leases classified as operating leases are not recognized on the balance sheet. The new standard is effective for annual reporting periods beginning after December 15, 2019, with early adoption permitted. The Organization is evaluating the impact of ASU 2016-02 on its financial statements. At this time, the Organization does not know, and cannot reasonably estimate, the dollar impact of the adoption.

In August 2016, the FASB issued ASU 2016-15, *Statement of Cash Flows (Topic 230)*, which amends ASC 230 to clarify guidance on the classification of certain cash receipts and payments in the statement of cash flows. The FASB issued the ASU with the intent of reducing diversity in practice with respect to eight types of cash flows. The guidance in ASU 2016-15 is effective for fiscal years beginning after December 15, 2018, with early adoption permitted. The standard must be adopted retrospectively to all periods presented, unless impracticable to do so. The Organization does not plan to early adopt the standard and does not expect the adoption of this standard to have a material impact on its financial statements.

In August 2016 the FASB issued ASU 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities* which significantly changes the presentation requirements for financial statements of not-for-profit entities (NFPs). The amendments are intended to improve the guidance on net asset classification as well as the information presented in the financial statements and financial statement notes regarding liquidity, financial performance, and cash flows for NFPs. Specifically, the ASU addresses (1) the complexity and understandability of net asset classifications, (2) the lack of consistency in the type of information provided about expenses, and (3) inconsistencies in the reporting of (a) operating information in the statement of activities and (b) operating cash flows in the statement of cash flows. The ASU's amendments are effective for fiscal years beginning after December 15, 2017. The standard must be adopted retrospectively. The Organization is still in the process of evaluating the impact of this standard; however, the standard is expected to have a significant impact on the presentation of the Statement of Changes in Net Assets as well as various footnote disclosures.

2. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in bank accounts, as well as investments in highly-liquid money market funds. The Organization deposits cash with several high quality financial institutions. These deposits are guaranteed by the Federal Deposit Insurance Company ("FDIC") up to an insurance limit of $250,000. At times, the Organization's cash and cash equivalents may exceed federally insured levels. Although the Organization bears risk on amounts in excess of those insured by the FDIC, it has not experienced and does not anticipate any losses due to the high quality of the institutions where the deposits are held. Cash and cash equivalents for all operating funds as of February 28, 2018 consisted of the following:

	Operating Fund	Capital Fund	Endowment Fund	2018 Total
Cash in checking accounts	$ 664,563	$ 500	$ 500	$ 665,563
Cash on hand	22,302	-	-	22,302
Total cash	$ 686,865	$ 500	$ 500	$ 687,865

Cash and cash equivalents for all operating funds as of February 28, 2017 consist of the following:

	Operating Fund	Capital Fund	Endowment Fund	2017 Total
Cash in checking accounts	$ 1,283,170	$ 500	$ 500	$ 1,284,170
Cash on hand	13,951	-	-	13,951
Total cash	$ 1,297,121	$ 500	$ 500	$ 1,298,121

3. INVESTMENTS AND ENDOWMENT HOLDINGS

The following tables present, by level within the fair value hierarchy, the Organization's investment assets at fair value, as of February 28, 2018 and 2017. As required by GAAP, investment assets are classified in their entirety based upon the lowest level of input that is significant to the fair value measurement.

2018 **Level 1 Inputs**	**Operating Fund**	**Endowment Fund**	**Total**
Money Market Funds*	$ 60,494	$ 148,892	$ 209,386
US Treasury Obligations	196,217	-	196,217
US Government Agency Bonds	37,493	-	37,493
Corporate and Foreign Bonds	172,783	-	172,783
Fixed-Income Mutual Funds	536,812	601,794	1,138,606
Equity Mutual Funds	442,443	1,384,719	1,827,162
Total Level 1 inputs	1,446,242	2,135,405	3,581,647
Level 2 inputs	-	-	-
Level 3 inputs	-	-	-
Total holdings	$ 1,446,242	$ 2,135,405	$ 3,581,647

* Money Market Funds in the Endowment Fund contain deposits-in-transit and accrued dividends receivable

2017 **Level 1 Inputs**	**Operating Fund**	**Endowment Fund**	**Total**
Money Market Funds	$ 212,177	$ 51,247	$ 263,424
US Treasury Obligations	163,251	-	163,251
US Government Agency Bonds	53,604	-	53,604
Corporate and Foreign Bonds	185,488	-	185,488
Short-Term Bond Mutual Funds	2,290,333	-	2,290,333
Fixed-Income Mutual Funds	524,555	586,796	1,111,351
Equity Mutual Funds	408,747	1,224,135	1,632,882
Total Level 1 inputs	3,838,155	1,862,178	5,700,333
Level 2 inputs	-	-	-
Level 3 inputs	-	-	-
Total holdings	$ 3,838,155	$ 1,862,178	$ 5,700,333

The components of total investment earnings for the years ended February 28, 2018 and 2017, are reflected below:

2018	**Operating Fund**	**Endowment Fund**	**Total**
Dividends and interest	$ 74,097	$ 77,763	$ 151,860
Net realized gains (losses)	(1,633)	11,250	9,617
Net unrealized gains	18,277	120,106	138,383
Total investment earnings—net	$ 90,741	$ 209,119	$ 299,860

2017	**Operating Fund**	**Endowment Fund**	**Total**
Dividends and interest	$ 70,258	$ 40,346	$ 110,604
Net realized gains (losses)	(33,991)	79,418	45,427
Net unrealized gains	233,566	17,820	251,386
Total investment earnings—net	$ 269,833	$ 137,584	$ 407,417

4. ACCOUNTS RECEIVABLE

Accounts receivable consist of the following as of February 28, 2018:

	Operating Fund	Endowment Fund	2018 Total
Institute tuition and fees	$ 108,272	$ -	$ 108,272
Retail sales	3,504	-	3,504
Donations receivable	10,013	500	10,513
Accrued dividends receivable	3,448	-	3,448
Miscellaneous	18,900	-	18,900
Total	$ 144,137	$ 500	$ 144,637

Accounts receivable consist of the following as of February 28, 2017:

	Operating Fund	Endowment Fund	2017 Total
Institute tuition and fees	$ 77,731	$ -	$ 77,731
Retail sales	1,644	-	1,644
Donations receivable	12,980	-	12,980
Accrued dividends receivable	3,727	-	3,727
Miscellaneous	14,198	-	14,198
Total	$ 110,280	$ -	$ 110,280

5. PLEDGES RECEIVABLE

Pledges to give, net of present value discounts, at February 28, 2018, are scheduled to be received as follows:

	Operating Fund	Endowment Fund	Total
Current year	$ 2,157,000	$ 50,000	$ 2,207,000
FY 2020	968,658	-	968,658
FY 2021	250,000	-	250,000
FY 2022	240,000	-	240,000
FY 2023	140,000	-	140,000
FY 2024	140,000	-	140,000
Total gross pledges receivable	3,895,658	50,000	3,945,658
Unamortized discount	(87,240)	-	(87,240)
Pledges receivable—net	$ 3,808,418	$ 50,000	$ 3,858,418

The following table represents a reconciliation of the beginning and ending balances on pledges receivable for the years ending February 28, 2018 and 2017:

2018	**Operating Fund**	**Endowment Fund**	**Total**
Pledges receivable—net—beginning of the year	$ 2,798,426	$ 123,595	$ 2,922,021
New unconditional pledges	2,703,500	-	2,703,500
Amounts received from pledges	(1,717,588)	(75,000)	(1,792,588)
Write off uncollectable pledges	(8,316)	-	(8,316)
Change in unamortized discount	32,396	1,405	33,801
Pledges receivable—net—end of year	$ 3,808,418	$ 50,000	$ 3,858,418
Current portion	$ 2,157,000	$ 50,000	$ 2,207,000
Long-term portion—net of discount	1,651,418	-	1,651,418

2017	**Operating Fund**	**Endowment Fund**	**Total**
Pledges receivable—net—beginning of the year	$ 4,419,466	$ -	$ 4,419,466
New unconditional pledges	1,003,000	200,000	1,203,000
Amounts received from pledges	(2,628,403)	(75,000)	(2,703,403)
Change in unamortized discount	4,363	(1,405)	2,958
Pledges receivable—net—end of year	$ 2,798,426	$ 123,595	$ 2,922,021
Current portion	$ 1,275,262	$ 75,000	$ 1,350,262
Long-term portion—net of discount	1,523,164	48,595	1,571,759

6. PROPERTY AND EQUIPMENT

Property and equipment consist of the following as of February 28, 2018 and 2017:

2018	Cost	Accumulated Depreciation	Net Value
Land	$ 2,336,844	$ -	$ 2,336,844
Land improvements	168,084	32,563	135,521
Buildings and improvements	8,294,559	2,481,581	5,812,978
Leasehold improvements	1,664,315	941,293	723,022
Furniture, vehicles, and equipment	3,002,314	1,746,859	1,255,455
Projects in development	328,165	-	328,165
Total	$ 15,794,281	$ 5,202,296	$ 10,591,985

2017	Cost	Accumulated Depreciation	Net Value
Land	$ 2,336,844	$ -	$ 2,336,844
Land improvements	168,084	23,679	144,405
Buildings and improvements	8,235,539	2,161,977	6,073,562
Leasehold improvements	1,231,750	801,591	430,159
Furniture, vehicles, and equipment	2,128,116	1,457,674	670,442
Projects in development	838,251	-	838,251
Total	$ 14,938,584	$ 4,444,921	$ 10,493,663

Depreciation expense was $884,161 and $620,920 for the years ended February 28, 2018 and 2017, respectively.

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consist of the following as of February 28, 2018 and 2017:

	2018	2017
Commercial accounts payable	$ 723,076	$ 782,641
Accrued payroll	176,436	165,892
Accrued vacation liability	194,339	202,878
Accrued taxes	19,812	2,039
Miscellaneous	3,027	5,556
Total	$ 1,116,690	$ 1,159,006

8. DEFERRED REVENUES

Deferred revenues consist of the following as of February 28, 2018 and 2017:

	2018	2017
Deferred Tuition and Cabin Fees	$ 381,627	$ 404,553
Deferred Society Event Revenues	17,175	-
Total	$ 398,802	$ 404,553

9. LINES OF CREDIT

The Organization has established two lines of credit with First Interstate Bank, the inventory line of credit and the merger line of credit. Under the inventory line of credit, which was established on December 18, 2015, the Organization may borrow up to $1,500,000 for annual inventory purchases along with other purchases. As of February 28, 2018, the borrowed principle accrued interest at 4.0% APR, payable quarterly. The Organization must pay an annual commitment fee of $1,000 under this line of credit and has pledged all inventory, chattel paper, accounts, equipment and general intangibles as collateral against this line of credit. The line of credit is set to expire April 5, 2018, with all outstanding principle plus accrued interest due at this date. As of February 28, 2018, the Organization had $1,500,000 available on this line of credit.

The Organization may borrow up to $1,500,000 for capital investments for infrastructure. The line accrued interest at 4.0% APR, payable quarterly, with the first quarterly interest payment due April 1, 2016. No annual commitment fee is required of the Organization. The Organization pledged the Overlook Field Campus as collateral against this line of credit and the line of credit agreement limits or prevents the Organization from liquidating this collateral. The line of credit is set to expire December 18, 2018, with all outstanding principle plus accrued interest due at this date. As of February 28, 2018, the Organization had $1,500,000 available on this line of credit.

10. COMMITMENTS, DESIGNATED NET ASSETS AND CONTINGENCIES

From time to time, the Organization is involved in legal proceedings that arise in the ordinary course of its business. Although there can be no assurance as to the ultimate disposition of these matters, it is the opinion of management, based upon the information available at the date of issuance, that the current expected outcome of these matters, individually or in the aggregate, will not have a material effect on its business, financial condition, results of operations or cash flows.

For the year ending February 28, 2019, the annual amounts to be made available to the National Park Service for the support of initiatives will be $5,343,286.

As of February 28, 2018, the Organization held one operating lease commitment to First Security Bank for the period of February 1, 2018 to January 31, 2020. The lease obligations for the years ending February 28, 2019 and February 28, 2020 are $63,561 and $63,561, respectively.

11. TEMPORARILY RESTRICTED NET ASSETS

For the year ending February 28, 2018, the activity in temporarily restricted net assets was as follows:

	Opening Balances	Restricted Revenues	Releases from Restriction	Transfers	Ending Balances
Operating fund					
US Forest Service	$ -	$ 2,078	$ -	$ -	$ 2,078
General Park Support	28,220	270,467	(25,000)	-	273,687
Cultural Treasurers	171,125	9,244	(216,620)	79,488	43,237
Greenest Park	111,676	64,862	(159,839)	30,487	47,186
Ranger Heritage	248,218	790,278	(1,038,491)	193,974	193,979
Tomorrow's Stewards	526,296	226,027	(508,242)	91,870	335,951
Visitor Experience	240,668	103,398	(430,773)	154,176	67,469
Wildlife	1,818,247	1,993,300	(2,467,575)	57,097	1,401,069
Yellowstone Forever Campaign Projects	1,207,982	709,620	(1,054,013)	(607,092)	256,497
Total	4,352,432	4,169,274	(5,900,553)	-	2,621,153
Endowment fund					
Yellowstone Forever Education Endowment	79,832	151,418	(37,481)	-	193,769
Landis Endowment Fund	3,240	3,191	(120)	-	6,311
Educator Workshop Endowment	41,607	50,385	(16,543)	-	75,449
Yellowstone Gateway Community MYA Endowment	2,275	4,125	(162)	-	6,238
Total	126,954	209,119	(54,306)	-	281,767
Total all funds	$ 4,479,386	$ 4,378,393	$ (5,954,859)	$ -	$ 2,902,920

12. PERMANENTLY RESTRICTED NET ASSETS

For the year ending February 28, 2018, the activity in permanently restricted net assets was as follows:

2018 Endowment Fund	**Opening Balances**	**Restricted Income**	**Ending Balances**
Yellowstone Forever Education Endowment	$ 1,234,361	$ 222,529	$ 1,456,890
Landis Endowment Fund	22,283	-	22,283
Educator Workshop Endowment	400,000	-	400,000
Yellowstone Gateway Community MYA Endowment	198,595	1,405	200,000
TOTAL	$ 1,855,239	$ 223,934	$ 2,079,173

13. EMPLOYEE MEDICAL BENEFIT PLANS

On November 1, 1998, the Foundation adopted an employer-sponsored Health Insurance Program and an optional employee funded Flexible Spending Account. Through the Health Insurance Program, all employees were eligible to enroll. The Foundation paid 100% of healthcare insurance premiums for eligible employees and 50% of healthcare insurance premiums for employee dependents. The Foundation also paid 100% of dental, vision, and life insurance premiums for each eligible employee and dependents. This plan terminated on October 31, 2016.

On January 1, 2014, the Association adopted an employer-sponsored Health Insurance Program and an optional employee funded Flexible Spending Account. Through the Health Insurance program, full-time employees (defined as employees who work 30 hours per week year-round) are eligible to enroll. The Association paid 80% of healthcare insurance premiums for eligible employees and 0% of healthcare insurance premiums for employee dependents. The Association also paid 100% of dental and vision premiums for each eligible employee and the dependents, as wells as 100% of employee premiums for life, accidental death/dismemberment insurance. This plan terminated on October 31, 2016.

On November 1, 2016, in the course of the merger between the Foundation and the Association, the Organization adopted an employer-sponsored Health Insurance Program and an optional employee funded Flexible Spending Account. Through the Health Insurance Program, full-time employees (defined as employees who work 30 hours per week year-round) are eligible to enroll. The Organization pays 100% of healthcare insurance premiums for eligible employees and 50% of healthcare premiums for employee dependents. The Organization's contribution is limited to the cost for high-deductible health insurance plans. Employees pay the difference between the cost for the high-deductible and traditional health insurance plans. The Organization also pays 100% of dental, vision, short-term disability, accidental death and dismemberment, and life insurance plans for each eligible employee and dependent.

Total employee contributions and employer costs for the years ended February 28, 2018 and 2017 were:

	2018	2017
Employee contributions	$ (68,172)	$ (79,340)
Healthcare premiums	539,525	357,757
Dental, vision, and other insurance premiums	110,950	68,244
FSA administration	641	4,867
Net cost	$ 582,944	$ 351,528

14. PENSION PLAN

The Foundation sponsored a Section 403(b) salary reduction plan that covered all full-time employees who were at least 21 years old. Employees may contribute up to $18,000 annually. Each eligible employee could elect to have amounts deducted from their gross wages to contribute to the plan. The Foundation matched 100% of these contributions with a maximum contribution equaling 8.00% of the employee's gross wages for the year ended February 28, 2017. This plan was terminated on October 1, 2016.

The Association implemented a 401(k) defined contribution pension plan, effective January 1, 2002 for all employees working 1,000 hours or more in a 12-month period from their hire date anniversary. The Association contributed 6.00% of an eligible employee's gross pay to the plan each month. In addition, employees may contribute tax deferred amounts to the plan, which was matched by the Association at 1:2 with a limit of 2.00% of an employee's gross wages. Effective October 2, 2016, the Organization adopted this plan under these terms for the Organization's employees. Effective April 7, 2017, this plan remained in adoption under a new contract with TIAA, which afforded an open-architecture investment menu. On this date, the Organization also contracted a 3(38) fiduciary investment advisor, CAPTRUST. Effective January 1, 2018, The Organization changed its contribution to 3.00% of an eligible employee's gross pay to the plan each month.

Employer contributions, included in the accompanying financial statements for the year ended February 28, 2018 and 2017 were $346,790 and $274,034, respectively.

15. DONATED FACILITIES

The Organization's Park Stores, the Haynes Photo Shop, and the Lamar Buffalo Ranch are facilities owned by the United States Federal Government. The Gallatin Airport Authority owns the facilities used by the Organization at the Gallatin Airfield. The value of the donated facilities is not reflected in the accompanying financial statements because there is no objective basis available by which to measure their value. Improvements made by the Organization to these facilities are recorded as leasehold improvements and are depreciated over the shorter of their estimated useful life or 20 years. The Organization's status as the official non-profit partner of Yellowstone National Park has a life expectancy of greater than 20 years.

16. DONATED SERVICES AND MATERIALS

The Organization benefitted from the following donated services and materials for the years ending February 28, 2018 and 2017:

2018	**Operating Fund**	**Capital Fund**	**Endowment Fund**	**Total**
Retail Products	$ 11,572	$ -	$ -	$ 11,572
Institute Programmatic Gifts	6,876	57,765	-	64,641
Marketing and Promotion	67,027	19,777	-	86,804
Google Web Optimization Services	431,364	-	-	431,364
Donated Equipment Granted to the National Park Service	171,610	-	-	171,610
Legal Support	25,000	-	-	25,000
Administrative Support	10,326	-	-	10,326
Event Support	31,456	-	-	31,456
Total	$ 755,231	$ 77,542	$ -	$ 832,773

2017	Operating Fund	Capital Fund	Endowment Fund	Total
Retail Products	$ 10,161	$ -	$ -	$ 10,161
Institute Programmatic Gifts	2,600	14,987	-	17,587
Facility Capital Improvements	-	8,704	-	8,704
Google Web Optimization Services	458,299	-	-	458,299
Donated Equipment Granted to the National Park Service	302,391	-	-	302,391
Merger Support	171,574	-	-	171,574
Total	$ 945,025	$ 23,691	$ -	$ 968,716

17. ENDOWMENT NET ASSETS

The Organization's endowments consist of four funds managed by the Organization. The Organization has interpreted the Uniform Prudent Management of Institutional Funds Act (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 permanently restricted net assets 1) the original value of gifts donated to the permanent endowment, 2) the original value of subsequent gifts to the permanent endowment, 3) any 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, and 4) and undesignated bequests in accordance with the Organization's Institutional Funds and Restricted Donations Protocol. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets 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 UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: 1) the duration and preservation of the fund; 2) the purposes of the Organization and the donor-restricted fund; 3) the general economic conditions; 4) the possible effect of inflation and deflation; 5) the expected total return from income; 6) other resources of the Organization; and 7) the investment policies of the Organization.

Endowment net asset composition by type of fund as of February 28, 2018 and 2017 is as follows:

2018 Endowment Fund	**Unrestricted**	**Temporarily Restricted**	**Permanently Restricted**	**Total**
Allocated Quasi-Endowment Funds	$ -	$ -	$ -	$ -
Donor-restricted Endowment Funds	4,695	281,767	2,079,173	2,365,635
Total	$ 4,695	$ 281,767	$ 2,079,173	$ 2,365,635

2017 Endowment Fund	**Unrestricted**	**Temporarily Restricted**	**Permanently Restricted**	**Total**
Allocated Quasi-Endowment Funds	$ -	$ -	$ -	$ -
Donor-restricted Endowment Funds	4,695	126,954	1,855,239	1,986,888
Total	$ 4,695	$ 126,954	$ 1,855,239	$ 1,986,888

Changes in net asset composition by type of fund for the years ending February 28, 2018 and 2017 are as follows:

2018 Endowment Fund	**Unrestricted**	**Temporarily Restricted**	**Permanently Restricted**	**Total**
Endowment assets—beginning of year	$ 4,695	$ 126,954	$ 1,855,239	$ 1,986,888
Investment earnings—net	-	209,119	-	209,119
Contributions	-	-	222,529	222,529
Present value adjustment on pledges	-	-	1,405	1,405
Net assets released from restriction	54,306	(54,306)	-	-
Management fees	(7,865)	-	-	(7,865)
Programmatic spending	(46,441)	-	-	(46,441)
Total	$ 4,695	$ 281,767	$ 2,079,173	$ 2,365,635

2017 Endowment Fund	**Unrestricted**	**Temporarily Restricted**	**Permanently Restricted**	**Total**
Endowment assets—beginning of year	$ 3,569	$ (3,745)	$ 904,007	$ 903,831
Investment earnings—net	1,233	136,351	-	137,584
Contributions	-	-	947,842	947,842
Present value adjustment on pledges	-	-	3,390	3,390
Net assets released from restriction	5,652	(5,652)	-	-
Management fees	(349)	-	-	(349)
Programmatic spending	(5,410)	-	-	(5,410)
Total	$ 4,695	$ 126,954	$ 1,855,239	$ 1,986,888

The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain purchasing power of the endowment assets. The general investment objective is to provide a reasonable current rate of return.

To satisfy its long-term rate of return objectives, the Organization relies on a total return strategy in which investment returns are achieved through current yield. Endowment assets are invested under the guidance of the following asset allocation:

Asset Class	**Target Allocation**	**Allocation Range**
Cash equivalents	1 %	0–10 %
Total fixed income	34	24–44
Total equity	65	55–74
Total	100 %	100 %

18. TRANSFERS BETWEEN FUNDS

For the years ended February 28, 2018 and 2017, transfers between funds were as follows:

2018 Transfers	Operating Fund	Capital Fund	Endowment Fund	Total
Depreciation Funding	$ (802,481)	$ 802,481	$ -	$ -
Endowment Programmatic Spending	46,441	-	(46,441)	-
Total	$ (756,040)	$ 802,481	$ (46,441)	$ -

2017 Transfers	Operating Fund	Capital Fund	Endowment Fund	Total
Depreciation Funding	$ (620,920)	$ 620,920	$ -	$ -
Endowment Programmatic Spending	5,410	-	(5,410)	-
Total	$ (615,510)	$ 620,920	$ (5,410)	$ -

19. RELATED PARTY TRANSACTIONS

Board members made contributions and/or purchased goods and services totaling $976,159 and $507,437 for the years ended February 28, 2018 and 2017, respectively, which are included within unrestricted and temporarily restricted contributions and gifts. Pledges receivable from board members were $1,947,802 and $1,721,968 at February 28, 2018 and 2017, respectively, and are include in pledges receivable on the Statement of Net Assets.

20. SUBSEQUENT EVENTS

On April 6, 2018, the Organization and First Interstate Bank agreed to an amendment to the inventory line of credit agreement whereby the amount available to be borrowed was increased to $2,500,000, the interest rate was raised to 5.0%, and the expiration date was extended to April 15, 2019. As of July 27, 2018, the Organization had drawn approximately $2,200,000 of the $2,500,000 available on its operating line of credit with First Interstate Bank. Additionally, as of July 27, 2018, the Organization had drawn approximately $1,200,000 of the $1,500,000 available on its merger line of credit with First Interstate Bank.

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MANAGEMENT’S DISCUSSION AND ANALYSIS

YELLOWSTONE FOREVER

MANAGEMENT'S DISCUSSION AND ANALYSIS

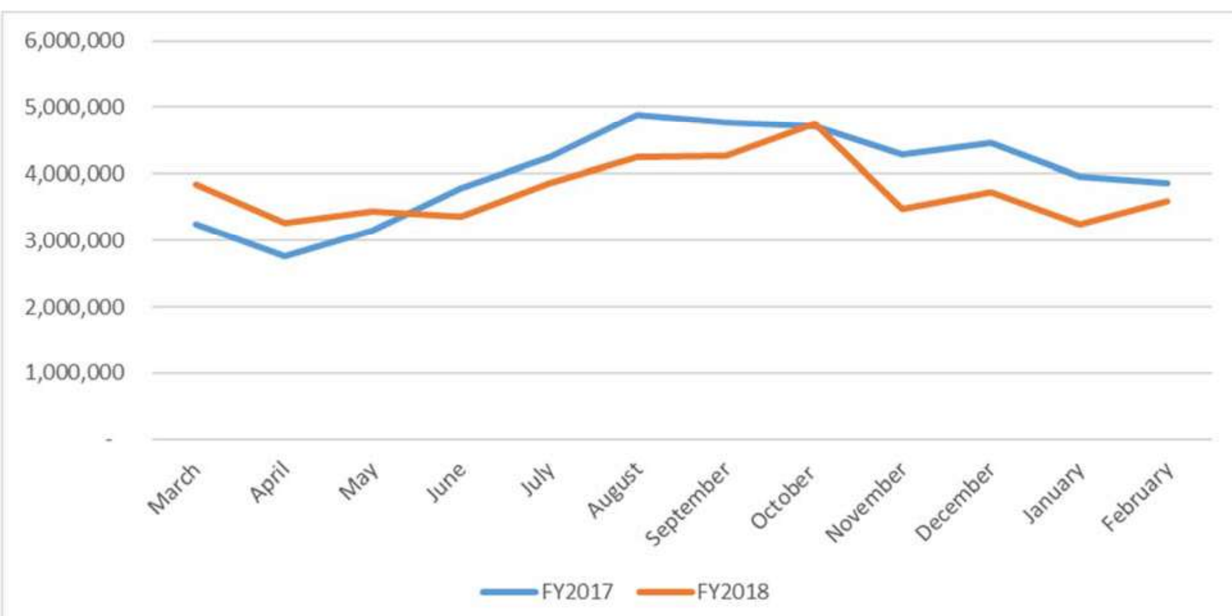
The President and CEO and Chief Financial Officer present the following Management's Discussion and Analysis (MD&A). As the staff being charged with the oversight and reporting of Yellowstone Forever (the Organization) finances, we have prepared the February 28, 2018 and 2017 financial statements, along with this narrative overview and analysis of financial activities we wish to highlight. We encourage our readers to consider the information in this MD&A in conjunction with the rest of the financial report.

Operating Reserves

With Year 1 (FY2018) of Yellowstone Forever being billed as "The Foundation Year" in the Strategic Plan, we continued to make significant investments to bring Yellowstone Forever on par with national non-profit organizations. The goal was to build out departmental capacity to bring processes up to the 2017 standards of professionalism and technology. In FY2017 and FY2018, the Board of Directors voted budget deficits of $250,000 each year for a cumulative operating deficit of $500,000. FY2017 realized a deficit of $185,432, reducing the budget deficit by $64,568 and FY2018 realized a deficit of $269,762, going over budget by $19,762 for a cumulative deficit of $455,194 at the end of FY2018.

Entering Year 2 (FY2019) of the Yellowstone Forever Strategic Plan, we are referring to it as "The Year of Efficiency." We have budgeted a surplus of $100,000 and aspire to beat our budget targets. Our focus is now on maximizing the efficiencies that our investments in technology have brought to the Organization. Strategically, FY2019 is forecasted to see the beginning of the replenishment of operating reserves and the beginning of a long-term intentional plan to build out the Organization's endowments to provide for the future operations of Yellowstone Forever.

YELLOWSTONE FOREVER OPERATING RESERVES



Cash Aid

Support to the National Park Service

The primary function of the Organization is to provide support to the National Park Service (NPS) in support of park priorities, as laid out by the Superintendent of Yellowstone National Park. The Organization provides two kinds of support: cash and in-kind. Cash aid refers to cash and other support such as staffing and donated assets disbursed by the Organization directly to the NPS or to a vendor on behalf of the NPS. In-kind aid refers to expenses incurred by the Organization in carrying out mission-directed park priorities on behalf of the park.

For the years ended February 28, 2018 and 2017, total cash granted to the NPS was $5,612,478 for 45 projects and $6,876,504 for 47 projects, respectively. Working with our partners at NPS, we entered FY2018 knowing that our cash support would decline in this first year of the Strategic Plan in order to build out the capacity necessary to support Yellowstone National Park for the long-term. We appreciate the support of our partners at NPS for seeing the potential of Yellowstone Forever and believing in our Organization enough to take a temporary reduction in support in order to realize greater support in the future. The funds given to NPS for cash support were derived from two sources: Proceeds from park pass sales and cash grants from the Organization to the NPS.

Proceeds from Park Pass Sales

The Organization sells park passes on behalf of the NPS for the purpose of generating more cash support for the park and to help with line congestion at the entrance stations. Since the inception of this program, the Organization has witnessed a significant increase in traffic at the Bozeman Airport and Gardiner stores. The NPS has seen a significant decrease in wait times at the north entrance due to the amount of passes being purchased by visitors prior to entering the park.

For the year ended February 28, 2018 and 2017, cash proceeds from park pass sales donated to the park totaled $239,787 and $235,554, respectively. The breakdown of park pass sales donated to the park are as follows:

	2018	**2017**
Entrance pass sales	$ 98,805	$ 103,210
Inter-agency pass sales	140,982	132,344
Total park pass proceeds	$ 239,787	$ 235,554

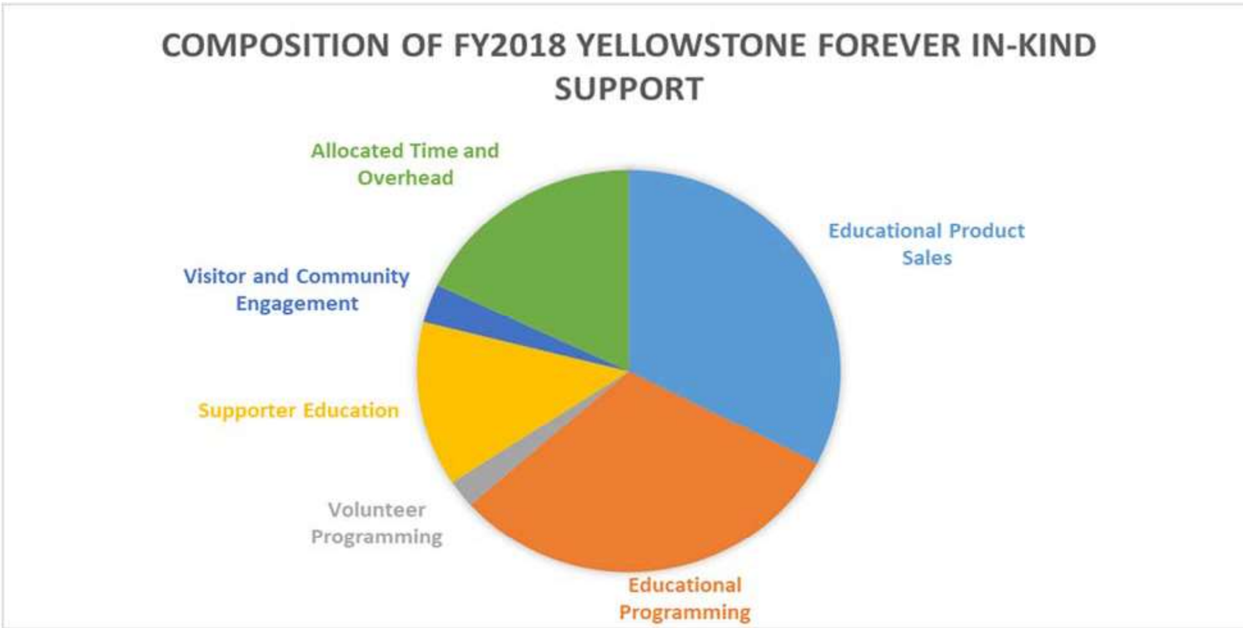
NPS Support Grants

The following chart represents all cash grants made to Yellowstone National Park for the fiscal years ended February 28, 2018 and 2017:

	2018	2017
Project or program:		
Native Fish Restoration	$ 1,072,250	$ 1,127,869
Wolf Research and Interpretation	530,271	489,149
Yellowstone Youth Campus	508,715	1,500,861
Cardiac Event Preparedness	306,375	-
Roosevelt Arch Restoration/Gardiner Confluence Park Pavillion	228,917	304,747
ARCH Volunteer Program/Stephen's Creek Rehabilition	225,999	87,918
Through a Changing Lens: A Study in Climate	217,712	-
Visitor and Wildlife Safety Programs	209,657	123,572
Michelin Trails	208,862	55,105
Trails Restoration	204,492	158,973
Wildlife Health Research Projects	189,049	169,662
Youth Conservation Corps	153,701	
Slough Creek Fish Barrier	150,000	78,000
Bear Box Safety Program	140,962	47,631
Heritage Research Center Operations	127,166	101,987
Resource Education with Evolving Tech	106,094	-
Visitor Publications	90,192	-
Canyon Overlook Trails Restoration	67,627	381,212
Raptor Initiative/Golden Eagle Research	63,122	36,367
Cougar Research	60,619	51,126
Yellowstone Science	60,000	54,030
Michelin Tires	57,256	-
Ranger Training	53,389	12,779
Expedition: Yellowstone	50,000	-
Michelin Mobility Study	39,670	48,069
Black Bear Research	37,681	80,000
YES! Intern Program	34,833	32,577
Ranger Stock	34,000	-
Retaoring the Natual Lightscape	31,950	-
Lamar Energy	23,021	28,001
Native American Programs	22,320	17,340
Ungulate Grazing Tracking	16,050	-
CANON Equipment	15,579	20,734
Ranger Infrastructure Projects	9,378	16,135
Trailhead Information Displays	6,999	-
Ranger Equipment	5,443	140,426
General Greenest Park Sustainability Projects	5,389	58,047
Other CANON Research and Education Projects	3,774	10,856
Archive Projects	2,177	37,676
Distance Learning	2,000	-
100th Anniversary Centennial Celebration	-	395,071
Old Faithful Visitor Education Center Young Scientist Room Restoration	-	286,102
Yellowstone Forever Merger Grant	-	224,991
Benzomatic Propane Recycler	-	220,000
Education and Interpretaion Programs	-	95,554
Grizzly Bear Research	-	39,245
Old Faithful Visitor Education Center LEED Recertification	-	84,145
Restoring Long Distance Migrations in Yellowstone Bison	-	24,993
Total cash grants	$ 5,372,691	$ 6,640,950

In-Kind Support

In-kind support represents non-cash contributions of support for the park through Organization activities carrying out park priorities. In-kind support is broken out into six different functions.



Educational Product Sales

The Organization operates 10 Park Stores in and around the park that are focused on selling educational products to visitors and supporters to support Yellowstone National Park. The Organization also operated one Forest Store for the United States Forest Service. Retail sales are confined to educational products as dictated by a "Scope of Sales" agreement negotiated with the NPS. The Park Stores are not commercial retail outlets, but rather mission-delivery contact points where visitors can purchase educational publications and products to enhance the understanding and enjoyment of Yellowstone. Park Store associates spend a large percentage of their time providing information about Yellowstone, and many of the products sold in the Organization's Park Stores are selected more for their educational and engagement value than for their profit potential. For the year ended February 28, 2018, the cost of operating the 11 Park Stores (not including Cost of Goods Sold) was $2,973,773. Those stores generated $2,834,919 in net sales revenues and $690,030 in supporter contributions for a positive net income of $551,176.

Revenue and engagement statistics for the 10 Park Stores and 1 Forest Store for the years ended February 28, 2018 and 2017 are as follows:

2018 Retail Store Statistics Store	**Gross Sales Revenue***	**Transactions**	**In Store Supporter Gifts**	**Number of New in Store Supporters**
Website and Wholesale Retail	$ 191,627	$ 4,243	$ -	$ -
Gardiner**	420,419	17,566	80,195	1,181
Mammoth	657,384	38,439	57,545	1,261
Old Faithful	1,675,835	97,330	198,535	4,726
Canyon	792,426	44,047	158,945	3,627
Fishing Bridge	332,606	19,508	30,455	793
West Thumb	120,501	8,859	20,030	474
Grant	264,643	15,945	49,475	1,266
Norris	211,403	11,936	37,220	936
Madison	86,924	4,849	14,585	355
Airport	178,735	8,938	13,415	261
Art and Photography Center	68,276	3,910	21,210	532
Total park stores	5,000,779	275,570	681,610	15,412
Quake Lake	96,537	5,276	8,420	202
Total park and forest stores	$ 5,097,316	$ 280,846	$ 690,030	$ 15,614

* Gross sales figures do not include discounts or other sales related revenues as shown on the Statements of Changes in Net Assets

** Lamar Buffalo Ranch Store closed in FY2017

2017 Retail Store Statistics Store	Gross Sales Revenue*	Transactions	In Store Supporter Gifts	Number of New in Store Supporters
Website and Wholesale Retail	$ 176,204	4,072	$ -	-
Gardiner (Includes the Lamar Buffalo Ranch)	478,468	18,671	83,856	1,343
Mammoth	654,649	37,700	85,640	2,006
Old Faithful	1,691,220	95,792	279,755	6,588
Canyon	799,525	44,091	194,345	4,417
Fishing Bridge	353,787	20,486	36,140	924
West Thumb	144,496	10,420	25,675	669
Grant	264,085	15,692	44,725	1,133
Norris	176,927	10,555	18,439	476
Madison	86,597	4,741	22,020	525
Airport	168,832	7,927	24,680	397
Total park stores	4,994,790	270,147	815,275	18,478
Quake Lake	89,708	5,147	11,630	295
Total park and forest stores	$ 5,084,498	275,294	$ 826,905	18,773

* Gross sales figures do not include discounts or other sales related revenues as shown on the Statements of Changes in Net Assets

Educational Programming

Serving in our role as the official education partner of Yellowstone National Park, the Organization operates the Yellowstone Forever Institute which provides visitors with in-depth educational programs including field seminars, youth, college and teacher programs, private tours, and Lodging and Learning packages offered in cooperation with the park's hotel concession company. Many of these programs are based at the Kendeda Overlook Field Campus in Gardiner, which is available year-round, and YNP's Lamar Buffalo Ranch in the Lamar Valley, which is used by the Organization during the summer and winter months. These locations offer Yellowstone Forever Institute participants an unparalleled opportunity to experience Yellowstone. To make these opportunities available, the Organization has invested over $2.25 million in facilities at the Kendeda Overlook Field Campus and over $1.87 million in capital improvements at the Lamar Buffalo Ranch.

For FY2018, the cost of operating the Yellowstone Forever Institute was $2,819,528. These costs were funded through educational tuition and fees of $1,807,501, donations of $166,455, and endowment proceeds of $46,415 for a total of $2,020,372. Operating resources of $799,156 were allocated through the budget process to educational programming. Additionally, the Yellowstone Forever Institute provided staff free spots totaling $44,148 as part of the Organization's total rewards benefit package for employees, $25,372 in free courses for NPS staff, and $16,328 in supporter discounts.

The Yellowstone Forever Institute had a record year with 7,569 participants, over 17,561 participant days and 183,204 contact hours. The summary of participation by course area is as follows:

2018 Program Area	**Revenue**	**Participants**	**Contact Hours**	**Participant Days**
Field seminars	$ 505,689	1,029	32,865	3,286
Lodging & learning	774,143	1,799	119,276	7,459
Private tours	186,080	1,122	11,120	1,390
Youth, college, and teachers	438,680	1,561	26,855	2,984
Group tours	115,780	1,112	12,324	1,496
Art & photography center programs	-	946	1,161	946
Total	$ 2,020,372	7,569	203,601	17,561

2017 Program Area	**Revenue**	**Participants**	**Contact Hours**	**Participant Days**
Field seminars	$ 476,812	1,085	30,744	3,416
Lodging & learning	707,504	1,685	105,470	7,026
Private tours	200,150	1,208	11,880	1,485
Youth, college, and teachers	374,094	823	22,880	2,542
Group tours	122,035	1,277	12,230	1,708
Total	$ 1,880,595	6,078	183,204	16,177

Total Revenues for the Yellowstone Forever Institute were as follows:

2018 Program Area	**Revenue**	**% of Revenue**
Tuition and fees	$ 1,588,592	78.63 %
Cabin fees	201,117	9.95
Cancellations	17,793	0.88
Endowment distributions	46,415	2.30
Donated funds	166,455	8.24
Total	$ 2,020,372	100.00 %

Program Area	Revenue	Revenue
Tuition and fees	$ 1,446,592	76.92 %
Cabin fees	187,232	9.96
Cancellations	26,524	1.41
Other income	2,110	0.11
Endowment distributions	5,410	0.29
Donated funds	212,727	11.31
Total	$ 1,880,595	100.00 %

Volunteer Programming

It would be difficult for the Organization to execute its mission without the assistance of a strong volunteer corps. Volunteers provide support at the Lamar Buffalo Ranch, the Kendeda Overlook Campus, and Information Desks at Park Stores, and serve as Park Hosts at park hotels in cooperation with the park's hotel concession company. For the year ended February 28, 2018, the cost of operating the volunteer program was $204,482. The following is a summary of the volunteer impact on the Organization.

2018 Category	Hours	Days	Number of Volunteers
Visitor and supporter engagement	9,599	1,741	26
Yellowstone forever institute volunteers	10,004	1,795	37
Yellowstone forever operational support	1,610	218	39
Employee and volunteer engagement	1,046	183	1
Total	22,259	3,937	103

2017 Category	Hours	Days	Number of Volunteers
Visitor and supporter engagement	10,090	1,292	33
Yellowstone forever institute volunteers	12,733	1,444	45
Yellowstone forever operational support	1,106	175	48
Employee and volunteer engagement	1,126	141	1
Total	25,055	3,052	127

Supporter Education

The Organization provides supporters with a variety of educational publications, programs and benefits to strengthen their connection to the park and the Organization's mission. Publications include the *Yellowstone Quarterly* for all supporters, the *Insider* for supporters of the Yellowstone Society, and the Organization Institute Catalogs. Programs include multi-day events for supporters of the Yellowstone Society. The total cost of supporter education and stewardship activities in FY 2018 was $1,213,904.

Visitor and Community Engagement

The Organization has launched an effort engage visitors and gateway communities to make the Yellowstone Forever brand known in the greater Yellowstone area. This engagement includes initiatives such as donating books to create the Yellowstone shelf in the Montana room of the Bozeman Public Library, providing scholarships to students in gateway communities, reaching out to school children in gateway communities with educational programming. Within the park, the Organization operates the Artist and Photography Center at the Historic Haynes Photoshop in an effort to improve the visitor experience by providing information about activities and programs throughout the park as well as engage visitors about the role of the Organization in the park. For the year ended February 28, 2018, the total cost of visitor and community engagement programs was $280,486.

Allocated Time and Overhead

The Organization allocated administrative and philanthropic overhead to programs that it supports and funds. These allocations were done in accordance with Footnote 1 to the financial statements. For the year ended February 28, 2018 and 2017, the total allocation of time and overhead to supporting park programs was $1,642,081, and $2,175,939, respectively.

The allocations for the year ended February 28, 2018 and 2017 are as follows:

	2018	2017
Finance, administration and grant management	$ 504,141	$ 776,467
Human resource management of grant employees	28,574	24,367
Park project marketing support	43,436	40,737
Facilities and vehicles support for park projects	9,368	24,745
Technology support for park projects	8,697	4,494
Philanthropy costs of raising restricted funds	1,047,865	1,305,129
Total allocated costs	$ 1,642,081	$ 2,175,939

Philanthropic Information

Program and Fundraising Efficiency

Yellowstone Forever is dedicated to being the most efficient non-profit possible. The Organization has set goals of a 90% efficiency rating in its programmatic to total expenses ratio. Additionally, Director's Order 21 requires that Friend's Groups maintain an 80% programmatic efficiency. While we realize that the Organization's goal is 90%, management of the Organization is committed to making the necessary investments to achieve the strategic goals laid out in the Yellowstone Forever 2017-2022 Strategic Plan and to achieve the priorities that have been identified by management of Yellowstone National Park. For the year ended February 28, 2018, the Organization's programmatic efficiency was 82%.

The Organization is also focused on its fundraising efficiency. Fundraising efficiency is measured as cost to raise each dollar that comes into the Organization. For the year ended February 28, 2018, the Organization spent $.24 for each dollar raised.

Composition of Dollars Raised

Philanthropy is one of the co-equal missions of the Organization. The Organization raises funds for park priorities. Those priorities are including Yellowstone National Park projects and programs, Yellowstone Forever operations, and Yellowstone Forever directed and managed programs, such as the Yellowstone Forever Institute.

For the year ended February 28, 2018, the composition of philanthropic gifts received was as follows:

Unrestricted Contributions and Gifts	**Unrestricted**	**Temp. Rest**	**Perm. Rest**	**Total**
Cash gifts:				
Individual gifts (annual fund and major gifts)	$ 1,805,313	$ 420,995	$ -	$ 2,226,308
Guardians	521,632	46,267	-	567,899
Web gifts	755,141	237,573	-	992,714
Present value adjustments to pledges	50,914	91,759	1,405	144,078
Bequests	-	-	222,529	222,529
Park store gifts	731,030	2,148	-	733,178
Gateway business gifts	34,526	137,629	-	172,155
Corporate gifts	790,101	568,378	-	1,358,479
Foundation gifts	781,606	1,835,306	-	2,616,912
Board & council gifts	276,697	685,797	-	962,494
Martching gifts	35,925	6,525	-	42,450
Government grants	3,168	20,000	-	23,168
Total cash gifts	5,786,053	4,052,377	223,934	10,062,364
In-Kind gifts	737,998	94,776	-	832,774
Other cash donations:				
State of Montana license plates	42,920	-	-	42,920
Combined federal campaign	12,119	-	-	12,119
Credit card rewards programs	39,360	-	-	39,360
Trail leaflet donations	175,008	-	-	175,008
Xanterra dollar per night	62,893	-	-	62,893
Violation payments	-	16,671	-	16,671
Event registrations and fundraising	280,016	5,450	-	285,466
Total other cash donations	612,316	22,121	-	634,437
Total unrestricted donations	$ 7,136,367	$ 4,169,274	$ 223,934	$ 11,529,575

Reach of the Organization

One of the key goals of Yellowstone Forever is to establish a national brand. A key set of metrics we use to measure this brand is to identify the number of people we reach and have contact with during the year. As the chart below demonstrates, our web, social media, supporter, Institute and retail reach have all increased in FY2018 over FY2017.

Organizational Reach	**2018**	**2017**
Website sessions	526,306	121,782
Website pageviews	867,384	199,924
Facebook followers	351,801	119,290
Instagram followers	66,623	53,320
Twitter followers	8,986	6,763
Pinterest and YouTube	517	
Total social media audience	427,927	179,373
Active financial supporters of $35.00 or more	32,925	21,816
Three year rolling supporter base of $35.00 or more	71,304	50,254
Total institute participants	7,569	6,078
Total retail purchasers	280,846	275,294
Total number of volunteers	103	127

Contacting Yellowstone Forever Financial Management

This financial report is designed to provide Yellowstone Forever board members, constituents, and partners a clearer picture of the Organization's financial statements. If you have any questions about this report or would like additional information, please contact the Chief Financial Officer at 406-982-7326 or email rkeaton@yellowstone.org.

Heather White
President & CEO

Roger Keaton
Chief Financial Officer