

**TENNESSEE WILDLIFE  
FEDERATION INCORPORATED  
AND AFFILIATES**

**FINANCIAL STATEMENTS,  
SUPPLEMENTAL SCHEDULES &  
INDEPENDENT AUDITOR'S REPORT**

**JUNE 30, 2023 and 2022**

**TENNESSEE WILDLIFE FEDERATION INCORPORATED AND AFFILIATES**

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# MULLINS CLEMMONS & MAYES, PLLC

CERTIFIED PUBLIC ACCOUNTANTS

## **INDEPENDENT AUDITOR'S REPORT**

To Mike Butler and the Board of Directors of  
Tennessee Wildlife Federation Incorporated and Affiliates:

### **Opinion**

We have audited the accompanying financial statements of Tennessee Wildlife Federation Incorporated and Affiliates (a nonprofit corporation), which comprise the consolidated statements of financial position as of June 30, 2023 and 2022, and the related consolidated statements of activities and changes in net assets, cash flows, and functional expenses for the years 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 Tennessee Wildlife Federation Incorporated and Affiliates as of June 30, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Tennessee Wildlife Federation Incorporated and Affiliates Incorporated and Affiliates and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of Management for the Financial Statements**

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

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

### **Auditor's Responsibilities for the Audit of the 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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if

there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, 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 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 Tennessee Wildlife Federation Incorporated and Affiliates' 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 Tennessee Wildlife Federation Incorporated and Affiliates' ability to continue as a going concern for a reasonable period of time.

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

### Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information on pages 24 and 25 is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position and activities and changes in net assets of the individual organizations, 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 auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

*Mulline Clemmons + Mayes, PC*

Brentwood, Tennessee  
October 26, 2023

**TENNESSEE WILDLIFE FEDERATION INCORPORATED AND AFFILIATES**

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
JUNE 30, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
<b><u>ASSETS</u></b>		
Cash and cash equivalents	\$ 5,453,596	\$ 1,512,114
Restricted cash and cash equivalents	2,755,764	2,937,556
Investments	2,818,165	2,773,971
Accounts receivable	130,169	-
Grants receivable	312,910	80,431
Promises to give	1,000	2,000
Prepaid expenses and other current assets	60,335	51,885
Land held for others	56,000	56,000
Property and equipment, net	588,266	605,627
Agency endowment fund	8,620	7,965
<b>TOTAL ASSETS</b>	<b><u>\$ 12,184,825</u></b>	<b><u>\$ 8,027,549</u></b>
<b><u>LIABILITIES AND NET ASSETS</u></b>		
Accounts payable	\$ 14,997	\$ 68,181
Accrued payroll and paid time off	306,784	234,719
Land held for others	56,000	56,000
Wetland credit deposit	384,800	168,400
Deferred revenue	3,141,327	-
<b>Total liabilities</b>	<b><u>3,903,908</u></b>	<b><u>527,300</u></b>
<b>NET ASSETS</b>		
Without donor restrictions:		
Designated - Wetland mitigation	3,929,504	3,987,034
Designated - endowment	30,849	31,224
Designated - operating reserves	364,000	230,000
Designated - discretionary reserves	50,000	50,000
Designated - working capital reserves	100,000	100,000
Undesignated	3,257,305	2,553,660
<b>Total without donor restrictions</b>	<b><u>7,731,658</u></b>	<b><u>6,951,918</u></b>
With donor restrictions	549,259	548,331
<b>Total net assets</b>	<b><u>8,280,917</u></b>	<b><u>7,500,249</u></b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 12,184,825</u></b>	<b><u>\$ 8,027,549</u></b>

**The accompanying notes are an integral part of the consolidated financial statements.**

**TENNESSEE WILDLIFE FEDERATION INCORPORATED AND AFFILIATES**

**CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS  
FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>REVENUES, GAINS AND OTHER SUPPORT:</b>			
Contributions	\$ 1,318,793	\$ 515,881	\$ 1,834,674
Government grant revenue	867,449	-	867,449
Wetland mitigation credits	1,553,334	-	1,553,334
Special events and program activities	439,648	-	439,648
Program income	320,000	-	320,000
Specialty license plates	273,632	-	273,632
Investment income	165,374	-	165,374
Interest income	119,494	-	119,494
Miscellaneous income	30,000	-	30,000
Gifts in kind - goods	2,080	-	2,080
Total	<u>5,089,804</u>	<u>515,881</u>	<u>5,605,685</u>
Net assets released from restrictions	<u>514,953</u>	<u>(514,953)</u>	<u>-</u>
Total revenues, gains and other support	<u>5,604,757</u>	<u>928</u>	<u>5,605,685</u>
<b>EXPENSES:</b>			
Program services	3,799,137	-	3,799,137
Management and general	558,588	-	558,588
Fundraising	467,292	-	467,292
Total expenses	<u>4,825,017</u>	<u>-</u>	<u>4,825,017</u>
<b>CHANGE IN NET ASSETS</b>	<b>779,740</b>	<b>928</b>	<b>780,668</b>
<b>NET ASSETS:</b>			
Beginning of year	<u>6,951,918</u>	<u>548,331</u>	<u>7,500,249</u>
End of year	<u>\$ 7,731,658</u>	<u>\$ 549,259</u>	<u>\$ 8,280,917</u>

**The accompanying notes are an integral part of the consolidated financial statements.**

**TENNESSEE WILDLIFE FEDERATION INCORPORATED AND AFFILIATES**

**CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS  
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>REVENUES, GAINS AND OTHER SUPPORT:</b>			
Contributions	\$ 517,238	\$ 716,504	\$ 1,233,742
State grant revenue	650,000	-	650,000
Wetland mitigation credits	2,981,400	-	2,981,400
Special events and program activities	432,004	-	432,004
Specialty license plates	226,464	-	226,464
Investment income	(177,636)	-	(177,636)
Interest income	1,535	-	1,535
Miscellaneous income	40,900	-	40,900
Gifts in kind - goods	1,586	-	1,586
Total	<u>4,673,491</u>	<u>716,504</u>	<u>5,389,995</u>
Net assets released from restrictions	<u>841,948</u>	<u>(841,948)</u>	<u>-</u>
Total revenues, gains and other support	<u>5,515,439</u>	<u>(125,444)</u>	<u>5,389,995</u>
<b>EXPENSES:</b>			
Program services	3,692,716		3,692,716
Management and general	461,777	-	461,777
Fundraising	433,697	-	433,697
Total expenses	<u>4,588,190</u>	<u>-</u>	<u>4,588,190</u>
<b>CHANGE IN NET ASSETS</b>	<b>927,249</b>	<b>(125,444)</b>	<b>801,805</b>
<b>NET ASSETS:</b>			
Beginning of year	<u>6,024,669</u>	<u>673,775</u>	<u>6,698,444</u>
End of year	<u>\$ 6,951,918</u>	<u>\$ 548,331</u>	<u>\$ 7,500,249</u>

**The accompanying notes are an integral part of the consolidated financial statements.**

TENNESSEE WILDLIFE FEDERATION INCORPORATED AND AFFILIATES

CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 780,668	\$ 801,805
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation expense	100,464	87,034
Net realized and unrealized (gains) losses on investments	(50,187)	266,033
Loss on asset disposal	-	-
Net changes in operating assets and liabilities:		
Accounts and grants receivable	(362,648)	2,187
Promises to give	1,000	3,100
Prepaid expenses and other assets	(8,450)	(102)
Accounts payable	(53,184)	33,528
Accrued payroll and paid time off	72,065	(8,530)
Agency endowment	(655)	1,075
Wetland credit deposit	216,400	168,400
Deferred income	3,141,327	-
Net cash provided by operating activities	<u>3,836,800</u>	<u>1,354,530</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(83,103)	(151,684)
Purchases of investments	(606,269)	(2,674,003)
Proceeds from sale of investments	612,262	1,492,731
Net cash used in investing activities	<u>(77,110)</u>	<u>(1,332,956)</u>
NET CHANGE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH	\$ 3,759,690	\$ 21,574
CASH, CASH EQUIVALENTS AND RESTRICTED CASH, BEGINNING	<u>\$ 4,449,670</u>	<u>\$ 4,428,096</u>
CASH, CASH EQUIVALENTS AND RESTRICTED CASH, ENDING	<u>\$ 8,209,360</u>	<u>\$ 4,449,670</u>

The accompanying notes are an integral part of the consolidated financial statements.



TENNESSEE WILDLIFE FEDERATION INCORPORATED AND AFFILIATES

CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2023

	Program Services			Supporting Services		Total Expenses
	Education and Outreach	Tennessee Mitigation Fund	Total Program Expenses	Management and General	Fundraising	
Salaries, taxes and benefits	\$ 1,279,379	\$ 254,920	\$ 1,534,299	\$ 349,899	\$ 357,948	\$ 2,242,146
Project design, management and easements	-	1,418,429	1,418,429	-	-	1,418,429
Youth engagement events	276,247	-	276,247	4,505	30,850	311,602
Contract labor and services	97,526	-	97,526	55,766	5,000	158,292
HFTH processing fees	126,880	-	126,880	-	-	126,880
Travel and meetings	74,710	5,405	80,115	10,999	34,754	125,868
Insurance	37,964	4,286	42,250	19,244	1,363	62,857
Depreciation expense	72,280	-	72,280	28,184	-	100,464
Supplies and technology	61,125	2,926	64,051	19,860	6,366	90,277
Professional fees	9,264	(308)	8,956	17,603	-	26,559
Advertising and communications	38,434	659	39,093	917	7,526	47,536
Dues and fees	5,920	2,121	8,041	2,614	8,284	18,939
Occupancy	325	-	325	25,827	-	26,152
Telephone and internet	5,883	798	6,681	10,204	2,579	19,464
Scholarships and grants	7,525	-	7,525	-	-	7,525
Merchandise and materials	-	-	-	-	-	-
Repairs and maintenance	4,982	1,167	6,149	10,490	3,350	19,989
Postage and freight	3,670	-	3,670	2,382	7,291	13,343
Marketing	4,540	-	4,540	94	1,981	6,615
In-kind donations	2,080	-	2,080	-	-	2,080
<b>Total Expenses</b>	<b>\$ 2,108,734</b>	<b>\$ 1,690,403</b>	<b>\$ 3,799,137</b>	<b>\$ 558,588</b>	<b>\$ 467,292</b>	<b>\$ 4,825,017</b>

The accompanying notes are an integral part of the consolidated financial statements.

TENNESSEE WILDLIFE FEDERATION INCORPORATED AND AFFILIATES

CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2022

	Program Services			Supporting Services		Total Expenses
	Education and Outreach	Tennessee Mitigation Fund	Total Program Expenses	Management and General	Fundraising	
Salaries, taxes and benefits	\$ 1,165,112	\$ 163,287	\$ 1,328,399	\$ 242,363	\$ 370,926	\$ 1,941,688
Project design, management and easements	-	1,600,106	1,600,106	-	-	1,600,106
Youth engagement events	262,058	-	262,058	11,838	381	274,277
Contract labor and services	114,854	-	114,854	28,547	313	143,714
HFTH processing fees	106,079	-	106,079	-	-	106,079
Travel and meetings	50,471	8,046	58,517	11,502	26,933	96,952
Insurance	37,560	4,072	41,632	18,482	579	60,693
Depreciation expense	25,365	-	25,365	61,669	-	87,034
Supplies and technology	65,352	1,920	67,272	18,359	5,417	91,048
Professional fees	6,620	(3,974)	2,646	16,546	-	19,192
Advertising and communications	32,824	(426)	32,398	799	5,991	39,188
Dues and fees	9,516	1,039	10,555	3,093	6,779	20,427
Occupancy	335	-	335	23,398	-	23,733
Telephone and internet	5,528	798	6,326	11,423	2,319	20,068
Scholarships and grants	25,695	-	25,695	-	-	25,695
Merchandise and materials	90	-	90	337	-	427
Repairs and maintenance	1,834	1,300	3,134	11,393	3,274	17,801
Postage and freight	3,017	(12)	3,005	1,922	7,852	12,779
Marketing	4,250	-	4,250	106	2,675	7,031
In-kind donations	-	-	-	-	258	258
Total Expenses	\$ 1,916,560	\$ 1,776,156	\$ 3,692,716	\$ 461,777	\$ 433,697	\$ 4,588,190

The accompanying notes are an integral part of the consolidated financial statements.

## TENNESSEE WILDLIFE FEDERATION INCORPORATED AND AFFILIATES

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS JUNE 30, 2023 AND 2022

#### NOTE 1 – THE ENTITY

Tennessee Wildlife Federation Incorporated and Affiliates (the "Organization"), is a Tennessee nonprofit corporation that exists to connect people with the great outdoors to ensure the conservation of Tennessee's natural treasures, especially fish and wildlife habitat, for future generations to enjoy. Tennessee Wildlife Federation Incorporated ("Federation") was founded as the Tennessee Conservation League in 1946 and is one of the oldest and the largest Tennessee statewide nonprofit organizations dedicated to the conservation of wildlife and natural resources through stewardship, advocacy and education. The Tennessee Wildlife Federation Foundation (the "Foundation") was founded in 1977 solely for the use and benefit of the Federation. The Federation also owns a membership interest in the Tennessee Mitigation Fund, LLC (the "Mitigation Fund"). The Mitigation Fund, which was formed in 2014, operates as a single member limited liability company for the preservation and restoration of Tennessee wetlands.

The mission of the Federation is "to lead the conservation, sound management, and wise use of Tennessee's wildlife and great outdoors" and is accomplished through education and outreach and wetland mitigation programs:

*Youth Engagement* – The Federation introduces an average of over 2,000 youth annually to the outdoors through the Tennessee Scholastic Clay Target ("TN SCTP") and Youth Hunting and Fishing programs. A national study cited the Federation's work among the top of its kind nationwide for hunter recruitment, illustrating the link between the shooting sports and getting kids afield while increasing positive attitudes towards stewardship of the outdoors.

*Land Management and Restoration* – Since 1998, the Federation's Hunters for the Hungry ("HFTH") program has collected over 2.3 million pounds of venison, providing more than 9.3 million meals through partnerships with food banks and soup kitchens. Through the Habitat Conservation and the Tennessee Mitigation Fund programs, Federation holds eleven conservation easements which protect nearly 11,500 acres of wildlife habitat statewide.

*Conservation Public Policy* – On local and federal levels, the Federation engages daily on wildlife and natural resource conservation policy and looks for common sense solutions to complex problems effecting wildlife and its management in order to ensure its abundance for the next generation.

The Organization receives contributions from individuals, foundations and corporations and grants from state agencies related to its primary purpose. The Organization also receives revenues by selling wetland mitigation credits.

#### NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### Principles of Consolidation

The consolidated financial statements include the accounts of the Federation, the Foundation, and the Mitigation Fund and have been prepared on the accrual basis of accounting. The financial statements are consolidated since the Federation has both an economic interest in the Foundation and control through the Foundation's Board and the Federation is the sole member of the Mitigation Fund. All significant intercompany transactions and accounts have been eliminated in consolidation.

## TENNESSEE WILDLIFE FEDERATION INCORPORATED AND AFFILIATES

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) JUNE 30, 2023 AND 2022

#### NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### Accounting Periods

All references to 2023 and 2022 in these consolidated financial statements refer to the years ended June 30, 2023 and 2022 unless otherwise noted.

##### Financial Statement Presentation

The consolidated financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"). The Organization is required to report information regarding its financial position and activities according to the following net asset classifications:

**Net assets without donor restrictions** – Net assets not subject to any donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the Board of Directors.

**Net assets with donor restrictions** – Net assets whose use by the Organization is subject to donor-imposed restrictions. Some donor restrictions are temporary in nature; those restrictions will be fulfilled by actions of the Organization pursuant to those restrictions or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. Generally, the donors of these assets permit the Organization to use all or part of the income earned on any related investments for general or specific purposes.

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

See Note 11 for further details related to net assets.

##### Cash and Cash Equivalents

For purposes of the consolidated statement of cash flows, the Organization considers cash funds and cash bank accounts to be cash and cash equivalents other than funds held for the Mitigation Fund. See Note 4 for further details related to the Mitigation Fund.

The Organization may, at times, maintain bank accounts whose balances exceed federally insured limits. However, the Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk related to cash and cash equivalents.

##### Accounts Receivable

Accounts receivable are reported net of an allowance for doubtful accounts. Accounts receivable are written off when all collection efforts have ceased. The Organization uses the allowance method to determine uncollectible accounts receivable. The allowance is based on prior years' experience and management's analysis of specific accounts receivable.

## TENNESSEE WILDLIFE FEDERATION INCORPORATED AND AFFILIATES

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) JUNE 30, 2023 AND 2022

#### NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### Accounts Receivable (continued)

At June 30, 2023 and 2022, management deemed all accounts receivable to be fully collectible and no allowances were recorded.

##### Investments

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Gains and losses, whether realized or unrealized, are included in the statements of activities and changes in net assets.

Investment securities, in general, are exposed 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 changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of financial position. See Notes 6 and 10 for further details related to investments.

##### Contributions and Promises to Give

Contributions are recognized as revenues when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Promises to give are recorded at fair value. The fair value of promises to give, which are payable within one year, is generally considered to be the same as the net realizable value of the promises. The fair value of promises to give, which are payable over a period greater than one year, is estimated by discounting the future cash flows. Conditional promises to give are not included as support until such time as the conditions are substantially met.

The Organization uses the allowance method to determine uncollectible unconditional promises to give. The allowance is based on prior years' experience and management's analysis of specific promises made. At June 30, 2023 and 2022, management deemed all promises to give to be fully collectible and no allowances were recorded.

##### Property and Equipment

Property and equipment are recorded at cost when purchased or at estimated fair value when gifted to the Organization. Significant additions and betterments are capitalized. Expenditures for maintenance, repairs and minor renewals are charged to expense as incurred. Depreciation expense is computed by using the straight-line method over the estimated useful lives of the related assets, which range from three to twenty years. See Note 8 for further details related to property and equipment.

## TENNESSEE WILDLIFE FEDERATION INCORPORATED AND AFFILIATES

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) JUNE 30, 2023 AND 2022

#### NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### Agency Endowment Fund

The Organization's beneficial interest in an agency endowment fund held by the Community Foundation of Middle Tennessee is recognized as an asset. Investment income and changes in the value of the fund are recognized in the consolidated statements of activities, and distributions received from the fund are recorded as decreases in the beneficial interest.

##### Revenue Recognition

The Federation holds classes, workshops and events for its programs: Hunting and Fishing Academy ("HFA") and TN SCTP. These revenues are reported at the amount that reflects the consideration to which the Federation expects to be entitled in exchange for providing instruction, classes and tournaments. Revenue is recognized as performance obligations are satisfied, which is ratably over the class and event periods, generally a maximum of 1 week. The Federation believes that this method provides a faithful depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation. The Federation measures performance obligations from the start of the class, workshop or event. The Federation bills for these services and payment is due prior to the beginning of the events.

The Federation manages the Lone Oaks Farm Mitigation project including coordinating the project's development, assisting with permitting, coordinating with regulatory agencies, identifying solutions to assist with assessment and monitoring activities in the pre-construction and post-construction phases. The Federation determined that the services in the contract are highly interdependent and are not separately identifiable, therefore, the bundle of services is combined into a single performance obligation for the overall project. Revenue is recognized over a time-based measure of progress, which is seven years.

The Mitigation Fund was created to administer an in-lieu fee program ("Program") under sections 401 and 404 of the Clean Water Act and Section 10 of the Rivers and Harbors Act. The Program is established under the Mitigation Fund's 2017 Wetland In-Lieu Fee Program Final Instrument signed by various government agencies. The Program involves the restoration, establishment, enhancement and/or preservation of wetlands to satisfy compensatory mitigation requirements for Department of the Army permits. The Mitigation Fund sells wetland mitigation credits to permittees who are required to mitigate impacts either themselves, by purchasing credits from a mitigation bank, or paying a third-party in-lieu fee program provider to conduct the mitigation on their behalf. Once the Mitigation Fund sells the wetland mitigation credit, the permittees are not allowed a refund even if the impact is not incurred. These program service revenues contain a single delivery element and revenue is recognized at a single point in time when the wetland mitigation credit is sold in an amount that reflects the consideration that the Mitigation Fund expects to be entitled to in exchange for the service performed. Accordingly, there are no remaining performance obligations or contract liabilities after the credit is sold. The Mitigation Fund does not have any significant financing components as payments are received at or shortly after the credit is sold.

## TENNESSEE WILDLIFE FEDERATION INCORPORATED AND AFFILIATES

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) JUNE 30, 2023 AND 2022

#### NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### **Government Grants**

The Organization receives grant revenue from government agencies. In accordance with ASU 2018-08, Not-for-Profit Entities (Topic 958): *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*, revenue from government grants are considered contributions because the customer does not receive commensurate value for the consideration received by the Organization; rather, the purpose of these arrangements is for the benefit of the general public. These grants are conditional due to rights of return and barriers to entitlement to funds. Grant revenue is recognized when the condition is satisfied in the period a liability is incurred for eligible expenditures under the terms of the grant.

##### **Conservation Easement**

Conservation easements held by the Organization are not recognized as capitalized assets in the accompanying consolidated financial statements. Assets are defined as items that will provide future economic benefits obtained or controlled by an entity. The Organization does not believe the easements meet the definition of criteria. The cost of obtaining conservation easements is expensed when the easement is acquired.

##### **Donated Services and Facilities**

Donated services are recognized at fair value if they create or enhance nonfinancial assets or require specialized skills and would be purchased by the Organization if not contributed. The Organization received a substantial amount of donated services from unpaid volunteers which did not meet the criteria for recognition. Donated assets and rights or benefits (e.g. leases, etc.) are recognized at fair value on the date contributed.

##### **Income Taxes**

The Federation and the Foundation are exempt from income taxes under section 501(c)(3) of the Internal Revenue Code, ("the Code"). In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(a) and has been classified as an organization that is not a private foundation.

The Organization files an annual information return (Form 990) with the U.S. government. At June 30, 2023, the Organization is no longer subject to U.S. tax examinations of these returns by tax authorities for years before June 30, 2020. The Organization believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions which are material to the financial statements.

##### **Functional Allocation of Expenses**

Expenses which are directly related to a function are charged to that function. Expenses that are related to more than one function are allocated to the applicable functions based upon various allocation methods in order to reflect the total cost of each function. See Note 14 for further details related to the methods used to allocate expenses.

# TENNESSEE WILDLIFE FEDERATION INCORPORATED AND AFFILIATES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) JUNE 30, 2023 AND 2022

### NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Advertising Costs

The cost of advertising, communications and marketing expenditures is expensed when incurred. Advertising, communications and marketing expenditures totaled \$54,151 and \$46,218 for the years ended June 30, 2023 and 2022, respectively.

#### Estimates

The preparation of consolidated financial statements in conformity 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.

#### Events Occurring After the Reporting Date

The Organization has evaluated events and transactions that occurred between June 30, 2023 and October 26, 2023, which is the date that the consolidated financial statements were available to be issued, for possible recognition or disclosure in the consolidated financial statements.

#### Reclassifications

Certain reclassifications have been made to the 2022 financial statements for consistency with the presentation for 2023. These reclassifications did not have a significant impact on the previously reported financial position, changes in net assets and cash flows of the Organization.

### NOTE 3 – LIQUIDITY

Financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of June 30, 2023 and 2022, consist of the following:

	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 7,498,557	\$ 1,512,114
Restricted cash and cash equivalents	710,803	2,937,539
Accounts receivable	130,169	80,431
Promises to give	1,000	2,000
Grants receivable	312,910	-
Investments	2,818,165	2,773,988
Other assets	8,620	7,965
Total financial assets at year end	<u>\$ 11,480,224</u>	<u>\$ 7,314,037</u>



**TENNESSEE WILDLIFE FEDERATION INCORPORATED AND AFFILIATES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2023 AND 2022**

**NOTE 3 – LIQUIDITY (CONTINUED)**

Total financial assets at year end	\$ 11,480,224	\$ 7,314,037
Less amounts not available to be used within one year:		
Net assets with donor restrictions	549,259	548,331
Designated net assets:		
Tennessee Mitigation Fund	3,929,504	3,987,034
Earnings on corpus of endowment	30,849	31,224
Discretionary reserves	50,000	50,000
Operating reserves	364,000	230,000
Working capital reserves	<u>100,000</u>	<u>100,000</u>
Financial assets available to meet general expenditures within one year	<u>\$ 6,456,612</u>	<u>\$ 2,367,448</u>

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its ongoing activities of leading the conservation, sound management and wise use of Tennessee’s wildlife and great outdoors to be general expenditures.

As part of the Organization’s liquidity management, it structures its financial assets to be available as its general expenditures, liabilities and other obligations become due.

**NOTE 4 – CASH, CASH EQUIVALENTS AND RESTRICTED CASH**

Cash, cash equivalents and restricted cash reported on the statement of cash flows consists of the following lines from the statement of financial position:

	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$5,453,596	\$1,512,114
Restricted cash and cash equivalents	<u>2,755,764</u>	<u>2,937,556</u>
	<u>\$8,209,360</u>	<u>\$4,449,670</u>

The Mitigation Fund is subject to oversight by the United States Army Corps of Engineers and is required to maintain cash funds for use on approved projects to restore, establish, enhance and/or preserve aquatic resources and associated upland buffers. In accordance with the agreement with the United States Army Corps of Engineers, the Organization must separately track funds received in the program. These funds cannot be used for any other purposes.

Restricted cash and cash equivalents for this purpose are \$2,755,764 and \$2,937,539 at June 30, 2023 and 2022, respectively.

**TENNESSEE WILDLIFE FEDERATION INCORPORATED AND AFFILIATES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2023 AND 2022**

**NOTE 5 – PROMISES TO GIVE**

Unconditional promises to give consisted of the following at June 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Within one year	\$ 1,000	\$ 2,000
In one to five years	-	-
Total promises to give	<u>\$ 1,000</u>	<u>\$ 2,000</u>

**NOTE 6 – INVESTMENTS**

The fair values of investments consisted of the following at June 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Short-term investments:		
Money market funds	\$ 123,833	\$ 259,665
Certificate of deposit	249,780	249,640
Mutual funds:		
Equity	1,120,774	1,108,644
Fixed income	1,323,778	1,156,022
Total investments	<u>\$ 2,818,165</u>	<u>\$ 2,773,971</u>

The net investment return consisted of the following for 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Interest and dividend income	\$ 115,204	\$ 88,397
Net realized and unrealized gains (losses)	50,170	(266,033)
	<u>\$ 165,374</u>	<u>\$ (177,636)</u>

**NOTE 7 – LAND HELD FOR OTHERS**

The Organization purchased a parcel of land for another organization (the "client") as part of the Organization's wetland and ecological services program. At the conclusion of the stream and wetland restoration project, the land will be transferred to the client. The land purchase was funded by the client but is legally owned by the Organization. Accordingly, the Organization has recorded an asset and a liability for \$56,000 to reflect this transaction.

## TENNESSEE WILDLIFE FEDERATION INCORPORATED AND AFFILIATES

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) JUNE 30, 2023 AND 2022

#### NOTE 8 – PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at June 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Land	\$ 263,593	\$ 263,593
Building	334,309	334,309
Vehicles	45,936	45,936
Furniture and equipment	195,994	183,967
Program services equipment	446,199	396,784
Website	44,500	81,383
Building improvements	266,645	249,484
Total cost	1,597,176	1,555,456
Less accumulated depreciation	<u>(1,008,910)</u>	<u>(949,829)</u>
Property and equipment, net	<u>\$ 588,266</u>	<u>\$ 605,627</u>

#### NOTE 9 – AGENCY ENDOWMENT FUND

The Organization has a beneficial interest in the Tennessee Wildlife Federation Fund (the "Fund"), an agency endowment fund held by the Community Foundation of Middle Tennessee (the "Community Foundation"). Earnings on this fund are used to benefit various programs for Federation. The Fund is charged a 0.4% administrative fee annually. Upon request by the Organization, income from the Fund representing a 5% annual return may be distributed to the Organization or to another suggested beneficiary. Earnings in excess of 5% are added to principal.

#### NOTE 10– FAIR VALUE MEASUREMENTS

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, and Level 3 inputs have the lowest priority. Level 2 inputs are inputs from quoted market prices in active markets for similar assets and liabilities, which are observable for the asset or liability, either directly or indirectly. The Organization uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments.

**TENNESSEE WILDLIFE FEDERATION INCORPORATED AND AFFILIATES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2023 AND 2022**

**NOTE 10– FAIR VALUE MEASUREMENTS (CONTINUED)**

The fair values of assets measured on a recurring basis at June 30, 2023 and 2022 were as follows:

	<u>Fair Value</u>	<u>Fair Value Measurements Using Quoted Prices in Active Markets for Identical Assets (Level 1)</u>
<b>At June 30, 2023:</b>		
Short-term investments:		
Money market funds	\$ 123,833	\$ 123,833
Certificate of deposit	249,780	249,780
Mutual funds:		
Equity	1,120,774	1,120,774
Fixed income	1,323,778	1,323,778
Total investments	<u>\$ 2,818,165</u>	<u>\$ 2,818,165</u>
<b>At June 30, 2022:</b>		
Short-term investments:		
Money market funds	\$ 259,665	\$ 259,665
Certificate of deposit	249,640	249,640
Mutual funds:		
Equity	1,108,644	1,108,644
Fixed income	1,156,022	1,156,022
Total investments	<u>\$ 2,773,971</u>	<u>\$ 2,773,971</u>

The Organization had no investments that required the use of Level 2 or Level 3 inputs.

**TENNESSEE WILDLIFE FEDERATION INCORPORATED AND AFFILIATES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2023 AND 2022**

**NOTE 11 – NET ASSETS**

Net assets with donor restrictions consisted of the following at June 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Subject to expenditure for a specified purpose:		
Hunters for the Hungry	\$ 120,659	\$ 151,467
Strategic plan	-	-
Other	137,922	106,841
Agency endowment earnings	3,341	2,686
Perpetual net assets:		
Meeman endowment	200,000	200,000
Conservation easement	82,058	82,058
Agency endowment fund	5,279	5,279
Total donor restricted net assets	<u>\$ 549,259</u>	<u>\$ 548,331</u>

During 2023 and 2022, net assets with donor restrictions of \$514,953 and \$841,948, respectively, were released from donor restrictions by incurring expenses satisfying the restrictions.

The State of Tennessee has passed the Uniform Prudent Management of Institutional Funds Act (“UPMIFA”). The Organization has interpreted the 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 restrictions to the contrary. The Organization classifies as net assets with donor restrictions the sum of (a) the original value of gifts donated to the permanent endowments, (b) the original value of subsequent gifts to the permanent endowments and (c) accumulations to the permanent endowments made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

At the current time, none of the endowment funds have donor-imposed instructions that specify accumulations, as noted in item (c) of the preceding sentence.

The remaining portion of the donor-restricted endowment funds not considered permanently restricted net assets are considered 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. There were no temporarily restricted assets related to the donor-restricted endowment funds at June 30, 2023 and 2022.

# TENNESSEE WILDLIFE FEDERATION INCORPORATED AND AFFILIATES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) JUNE 30, 2023 AND 2022

### NOTE 11 – NET ASSETS (CONTINUED)

In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) General economic conditions;
- (2) The possible effect of inflation and deflation;
- (3) The expected tax consequences, if any, of investment decisions or strategies;
- (4) The role that each investment or course of action plays within the overall investment portfolio;
- (5) The expected total return from income and appreciation of investments;
- (6) Other resources of the Organization;
- (7) The needs of the Organization and the endowment funds to make distributions and to preserve capital; and
- (8) An asset's special relationship or special value, if any, to the charitable purposes of the Organization.

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 endowments while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Organization must hold in perpetuity or for a donor-specified period as well as any entity-designated funds.

To satisfy its long-term return objectives, the Organization relies on a total return strategy in which the investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The endowment assets are commingled with non-endowment assets in the Organization's long-term investments. See Note 6 for further details related to investments.

Following is a schedule of the components of the endowment funds at June 30, 2023 and 2022:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
As of June 30, 2023:			
Donor-restricted endowment	\$ -	\$ 287,337	\$ 287,337
Board-designated general endowment	30,849	-	30,849
Total	<u>\$ 30,849</u>	<u>\$ 287,337</u>	<u>\$ 318,186</u>

**TENNESSEE WILDLIFE FEDERATION INCORPORATED AND AFFILIATES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2023 AND 2022**

**NOTE 11 – NET ASSETS (CONTINUED)**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
As of June 30, 2022:			
Donor-restricted endowment	\$ -	\$ 287,337	\$ 287,337
Board-designated general endowment	31,224	-	31,224
Total	<u>\$ 31,224</u>	<u>\$ 287,337</u>	<u>\$ 318,561</u>

Following is a schedule of the activity of the endowment funds for the years ended June 30, 2023 and 2022:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment net assets, June 30, 2021	\$ 79,153	\$ 287,337	\$ 366,490
Investment income	10,379	-	10,379
Expenditures	(44,205)	-	(44,205)
Unrealized gains	(14,103)	-	(14,103)
Endowment net assets, June 30, 2022	<u>31,224</u>	<u>287,337</u>	<u>318,561</u>
Investment income	6,112	-	6,112
Expenditures	(6,484)	-	(6,484)
Unrealized losses	(3)	-	(3)
Endowment net assets, June 30, 2023	<u>\$ 30,849</u>	<u>\$ 287,337</u>	<u>\$ 318,186</u>

**NOTE 12 – WETLAND MITIGATION**

The Organization collects fees to fund the restoration of wetland habitat. Revenue for the fund is recorded when the funds are received and the certificate is issued. The Organization will identify mitigation sites and work with landowners to restore those sites to permanent functioning wetlands. After construction, the site must be monitored annually for five years and again at seven and ten years to ensure the successful restoration. By rule, a percentage of project revenues will be held in a "Long-Term Monitoring and Maintenance Fund." Funds collected through sales of credits are board-designated for the wetland mitigation program in accordance with requirements discussed in Note 4.

Additionally, the Organization had outstanding letters of credit totaling \$1,522,135 and \$1,369,635 at June 30, 2023 and 2022, respectively, which represented commitments for future mitigation projects.

## TENNESSEE WILDLIFE FEDERATION INCORPORATED AND AFFILIATES

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) JUNE 30, 2023 AND 2022

#### NOTE 13 – PENSION PLAN

The Organization has a 401k for its employees. The plan calls for the Organization to match 100% of elective deferrals by employees up to 4% of the employee's salary. Expenses related to this plan amounted to \$55,458 and \$47,574 for 2023 and 2022, respectively.

#### NOTE 14 – FUNCTIONAL EXPENSES

The consolidated financial statements report certain categories of expenses which are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis which is consistently applied. The allocated expenses include salaries, employee benefits and payroll taxes, which are allocated on the basis of estimates of time and effort; telephone, computer hardware, office equipment, software maintenance and insurance, which are allocated based on departmental payroll percentages and depreciation, which is allocated based on the department location of the asset. The remaining expenses are specifically allocated based on the area served. The following program and supporting services are included in the accompanying consolidated financial statements:

##### **Program Services:**

*Education and Outreach* – Advocates sound natural resource policies, provides various educational programs that promote an understanding of Tennessee's environment and encourages natural resource conservation and community planning that balances conservation needs with sound economic growth.

*Tennessee Mitigation Fund* – The fund collects fees on behalf of the public to pool together and fund the repair and maintenance of restored wetland mitigation sites (see Notes 4 and 12).

##### **Supporting Services:**

*Management and General* – Relates to the overall direction of the Organization. These expenses are not identifiable with a particular program or with fundraising but are indispensable to the conduct of those activities and essential to the Organization. Specific activities include organizational oversight, business management, record-keeping, budgeting, financing and other administrative activities.

*Fundraising* – Includes costs of activities directed toward appeals for financial support, including special events. Other activities include the cost of solicitation and creation and distribution of fundraising materials.

#### NOTE 15 – CONCENTRATIONS OF CREDIT RISK

Financial instruments which potentially subject the Organization to concentrations of credit risk principally consist of investments, promises to give, accounts receivable and grants receivable. The Organization utilizes various investment instruments. Investment securities, in general, are exposed 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 changes in the values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the consolidated statement of financial position.



**TENNESSEE WILDLIFE FEDERATION INCORPORATED AND AFFILIATES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2023 AND 2022**

**NOTE 15 – CONCENTRATIONS OF CREDIT RISK (CONTINUED)**

Promises to give, accounts receivable and grants receivables represent concentrations of credit risk to the extent they are receivable from concentrated sources. At June 30, 2023 and 2022, one entity comprised the entire balance of grants receivable. These entities accounted for \$693,000 and \$500,000 of grant revenue recognized by the Organization during 2023 and 2022, respectively. The Organization’s operations are concentrated in Tennessee.

**NOTE 16 – COMMITMENTS AND CONTINGENCIES**

Grant expenditures are subject to review and audit by the grantor agencies. Although such audits could result in disallowance of expenditures, management believes that any required reimbursements to the grantors would not be significant. Accordingly, no provision has been made for potential reimbursements.

**NOTE 17—VOLUNTEER HOURS (UNAUDITED)**

Following is a schedule, by program, of management’s estimate of total volunteer hours donated to the Organization during June 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Scholastic Clay Target Program	14,728	12,332
Hunting & Fishing Academy	5,244	4,649
Hunters for the Hungry	2,165	2,417
Policy programs	1,163	1,730
Total	<u>23,300</u>	<u>21,128</u>

These hours did not meet the criteria for recognition in the consolidated financial statements under generally accepted accounting principles.

**SUPPLEMENTARY INFORMATION**

TENNESSEE WILDLIFE FEDERATION INCORPORATED AND AFFILIATES

CONSOLIDATING STATEMENT OF FINANCIAL POSITION  
 JUNE 30, 2023

	Tennessee Wildlife Federation Inc.	Tennessee Mitigation Fund, LLC	Tennessee Wildlife Federation Foundation, Inc.	Consolidating Entries	Consolidated Total
<b>ASSETS</b>					
Cash and cash equivalents	\$ 5,453,596	\$ -	\$ -	\$ -	\$ 5,453,596
Restricted cash and cash equivalents	-	2,755,764	-	-	2,755,764
Investments	115,259	1,258,000	1,444,906	-	2,818,165
Accounts receivable	130,169	-	-	-	130,169
Grants receivable	312,910	-	-	-	312,910
Promises to give	1,000	-	-	-	1,000
Intercompany receivables	33,969	320,400	-	(354,369)	-
Prepaid expenses	45,656	14,679	-	-	60,335
Land held for others	56,000	-	-	-	56,000
Property and equipment, net	317,551	-	270,715	-	588,266
Agency endowment fund	8,620	-	-	-	8,620
<b>TOTAL ASSETS</b>	<b>\$ 6,474,730</b>	<b>\$ 4,348,843</b>	<b>\$ 1,715,621</b>	<b>\$ (354,369)</b>	<b>\$ 12,184,825</b>
<b>LIABILITIES AND NET ASSETS</b>					
Accounts payable	\$ 14,427	\$ 570	\$ -	\$ -	\$ 14,997
Intercompany payables	320,400	33,969	-	(354,369)	-
Accrued payroll and paid time off	306,784	-	-	-	306,784
Land held for others	56,000	-	-	-	56,000
Deferred revenue	3,141,327	-	-	-	3,141,327
Wetland credit deposit	-	384,800	-	-	384,800
<b>Total liabilities</b>	<b>3,838,938</b>	<b>419,339</b>	<b>-</b>	<b>(354,369)</b>	<b>3,903,908</b>
<b>NET ASSETS:</b>					
<b>Without Donor Restrictions:</b>					
Designated - Wetland mitigation	-	3,929,504	-	-	3,929,504
Designated - endowment	30,849	-	-	-	30,849
Designated - operating reserves	364,000	-	-	-	364,000
Designated - discretionary reserves	50,000	-	-	-	50,000
Designated - working capital reserves	100,000	-	-	-	100,000
Undesignated	1,741,684	-	1,515,621	-	3,257,305
<b>Total without donor restrictions</b>	<b>2,286,533</b>	<b>3,929,504</b>	<b>1,515,621</b>	<b>-</b>	<b>7,731,658</b>
With donor restrictions	349,259	-	200,000	-	549,259
<b>Total net assets</b>	<b>2,635,792</b>	<b>3,929,504</b>	<b>1,715,621</b>	<b>-</b>	<b>8,280,917</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 6,474,730</b>	<b>\$ 4,348,843</b>	<b>\$ 1,715,621</b>	<b>\$ (354,369)</b>	<b>\$ 12,184,825</b>

TENNESSEE WILDLIFE FEDERATION INCORPORATED AND AFFILIATES

CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS  
FOR THE YEAR ENDED JUNE 30, 2023

	Tennessee Wildlife Federation Inc.	Tennessee Mitigation Fund, LLC	Tennessee Wildlife Federation Foundation, Inc.	Consolidating Entries	Consolidated Total
REVENUES, GAINS AND OTHER SUPPORT:					
Contributions	\$ 1,926,674	\$ -	\$ -	\$ (92,000)	\$ 1,834,674
Government grant revenue	867,449	-	-	-	867,449
Wetland mitigation credits	-	1,553,334	-	-	1,553,334
Special events and program activities	731,200	-	-	(291,552)	439,648
Program income	320,000	-	-	-	320,000
Specialty license plates	273,632	-	-	-	273,632
Investment gains	6,710	47,710	110,954	-	165,374
Interest income	105,665	13,829	-	-	119,494
Miscellaneous income	-	30,000	-	-	30,000
Gifts in kind - goods	2,080	-	-	-	2,080
Total support and revenue	<u>4,233,410</u>	<u>1,644,873</u>	<u>110,954</u>	<u>(383,552)</u>	<u>5,605,685</u>
EXPENSES:					
Salaries, taxes, and benefits	2,244,601	254,920	-	(257,375)	2,242,146
Youth engagement events	308,895	-	-	-	308,895
Project design, management, and easements	-	1,200,238	-	-	1,200,238
Contract labor and services	158,292	-	-	-	158,292
Travel and meetings	134,207	218,966	-	(6,088)	347,085
HFTH processing fees	126,880	-	-	-	126,880
Insurance	59,202	8,916	-	(630)	67,488
Depreciation expense	80,947	-	19,517	-	100,464
Professional fees	26,866	(308)	-	-	26,558
Supplies and technology	91,646	2,926	-	(9,244)	85,328
In-kind donations	2,080	-	-	-	2,080
Scholarships and grants	7,525	-	92,000	(92,000)	7,525
Advertising and communications	46,878	659	-	-	47,537
Telephone and internet	19,463	798	-	(798)	19,463
Occupancy	26,152	12,000	-	(12,000)	26,152
Postage and freight	13,343	-	-	-	13,343
Marketing	6,614	-	-	-	6,614
Dues and fees	21,971	2,121	-	(5,152)	18,940
Repairs and maintenance	19,087	1,166	-	(265)	19,988
Merchandise and materials	-	-	-	-	-
Total expenses	<u>3,394,649</u>	<u>1,702,402</u>	<u>111,517</u>	<u>(383,552)</u>	<u>4,825,016</u>
CHANGE IN NET ASSETS	838,761	(57,529)	(563)	-	780,669
NET ASSETS:					
Beginning of year	<u>1,797,031</u>	<u>3,987,033</u>	<u>1,716,184</u>	<u>-</u>	<u>7,500,248</u>
End of year	<u>\$ 2,635,792</u>	<u>\$ 3,929,504</u>	<u>\$ 1,715,621</u>	<u>\$ -</u>	<u>\$ 8,280,917</u>