



DUCKS UNLIMITED, INC. AND AFFILIATES

Consolidated Financial Statements and Supplementary Information

June 30, 2022 and 2021

(With Independent Auditors' Reports Thereon)

DUCKS UNLIMITED, INC. AND AFFILIATES

Table of Contents

	Page
Independent Auditors' Report	1
Consolidated Financial Statements:	
Consolidated Balance Sheets	3
Consolidated Statements of Activities	4
Consolidated Statements of Support and Revenues Without Donor Restrictions and Expenses	5
Consolidated Statements of Cash Flows	6
Notes to Consolidated Financial Statements	7
Supplementary Information:	
Supplemental Consolidating Balance Sheet Information	33
Supplemental Consolidating Schedule of Support and Revenues Without Donor Restrictions and Expenses	34
Supplemental Schedule of Donated Conservation Easements	35



KPMG LLP
Triad Centre III
Suite 450
6070 Poplar Avenue
Memphis, TN 38119-3901

Independent Auditors' Report

The Board of Directors
Ducks Unlimited, Inc. and Affiliates:

Opinion

We have audited the consolidated financial statements of Ducks Unlimited, Inc. and Affiliates and its subsidiaries (Organization), which comprise the consolidated balance sheets as of June 30, 2022 and 2021, and the related consolidated statements of activities, support and revenues without donor restrictions and expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Organization as of June 30, 2022 and 2021, and the changes in their net assets and their cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Organization 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 Consolidated Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.



In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating balance sheet, consolidating statement of support and revenues without donor restrictions and expenses, and schedule of donated conservation easements are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

KPMG LLP

Memphis, Tennessee
September 30, 2022

DUCKS UNLIMITED, INC. AND AFFILIATES

Consolidated Balance Sheets

June 30, 2022 and 2021

Assets	2022	2021
Cash and cash equivalents	\$ 34,954,808	36,388,580
Restricted cash and cash equivalents	18,504,516	28,747,224
Restricted non-negotiable certificates of deposit	—	1,260,961
Events receivable, net	497,329	976,897
Pledges receivable, net	94,861,122	31,634,498
Habitat conservation and other receivables	52,384,760	34,954,854
Event merchandise inventory	8,547,605	6,827,621
Investments	90,344,397	98,501,529
Land held for conservation purposes	91,544,492	78,740,346
Land, buildings, and equipment, net	12,293,352	15,325,772
Trade lands	9,611,500	9,611,500
Prepaid pension costs	3,576,511	1,255,791
Other assets	5,538,665	6,274,719
Total assets	<u>\$ 422,659,057</u>	<u>350,500,292</u>
Liabilities and Net Assets		
Accounts payable and accrued expenses	\$ 25,757,935	16,276,898
Compensation and related accruals	11,169,266	10,193,020
Deferred revenue	38,830,809	38,266,375
Deferred compensation accruals	1,146,829	1,370,480
Accrued postretirement benefits	1,428,076	1,945,008
Revolving land line of credit	15,321,601	6,598,911
Notes payable	2,133,082	18,033,304
Other liabilities	1,119,555	1,142,789
Total liabilities	<u>96,907,153</u>	<u>93,826,785</u>
Net assets:		
Without donor restrictions	106,605,591	107,766,608
With donor restrictions	219,146,313	148,906,899
Total net assets	<u>325,751,904</u>	<u>256,673,507</u>
Total liabilities and net assets	<u>\$ 422,659,057</u>	<u>350,500,292</u>

See accompanying notes to consolidated financial statements.

DUCKS UNLIMITED, INC. AND AFFILIATES

Consolidated Statements of Activities

Years ended June 30, 2022 and 2021

	<u>Without donor restrictions</u>	<u>With donor restrictions</u>	<u>Total</u>
Net assets at June 30, 2020	\$ 78,312,272	138,194,224	216,506,496
Support and revenues:			
Support and revenues without donor restrictions:			
Cash and other financial support and revenues	188,933,216	—	188,933,216
Other nonfinancial support and revenues	113,259,281	—	113,259,281
Support and revenues with donor restrictions:			
Major conservation gifts	—	53,092,173	53,092,173
Contributions to donor restricted endowments	—	3,689,051	3,689,051
Investment return on donor restricted endowments, net of appropriation for expenditure	—	11,707,154	11,707,154
Habitat reimbursements	—	214,267	214,267
Other revenues	—	423,159	423,159
Net assets released from restrictions:			
Program restrictions satisfied	48,567,931	(48,567,931)	—
Expiration of time restrictions	2,473,442	(2,473,442)	—
Total support and revenues	353,233,870	18,084,431	371,318,301
Total expenses	<u>333,225,052</u>	<u>—</u>	<u>333,225,052</u>
Excess of support and revenues over expenses before changes in net assets:	20,008,818	18,084,431	38,093,249
Other changes in net assets:			
Loss on uncollectible pledges	—	(7,371,756)	(7,371,756)
Nonoperational:			
Net periodic benefit cost other than service cost	(1,204,504)	—	(1,204,504)
Pension and postretirement benefit liability adjustments other than net periodic costs	10,650,022	—	10,650,022
Total change in net assets	<u>29,454,336</u>	<u>10,712,675</u>	<u>40,167,011</u>
Net assets at June 30, 2021	<u>107,766,608</u>	<u>148,906,899</u>	<u>256,673,507</u>
Support and revenues:			
Support and revenues without donor restrictions:			
Cash and other financial support and revenues	167,507,566	—	167,507,566
Other nonfinancial support and revenues	13,384,565	—	13,384,565
Support and revenues with donor restrictions:			
Major conservation gifts	—	146,854,714	146,854,714
Contributions to donor restricted endowments	—	1,558,984	1,558,984
Investment return on donor restricted endowments, net of appropriation for expenditure	—	(7,469,260)	(7,469,260)
Habitat reimbursements	—	14,590,209	14,590,209
Other revenues	—	4,868,691	4,868,691
Net assets released from restrictions:			
Program restrictions satisfied	83,342,529	(83,342,529)	—
Expiration of time restrictions	2,998,326	(2,998,326)	—
Total support and revenues	267,232,986	74,062,483	341,295,469
Total expenses	<u>269,507,481</u>	<u>—</u>	<u>269,507,481</u>
(Deficit)/Excess of support and revenues over expenses before changes in net assets:	(2,274,495)	74,062,483	71,787,988
Other changes in net assets:			
Loss on uncollectible pledges	—	(3,821,690)	(3,821,690)
Nonoperational:			
Net periodic benefit cost other than service cost	(996,772)	—	(996,772)
Pension and postretirement benefit liability adjustments other than net periodic costs	2,108,871	—	2,108,871
Other	1,379	(1,379)	—
Total change in net assets	<u>(1,161,017)</u>	<u>70,239,414</u>	<u>69,078,397</u>
Net assets at June 30, 2022	\$ <u>106,605,591</u>	<u>219,146,313</u>	<u>325,751,904</u>

See accompanying notes to consolidated financial statements.

DUCKS UNLIMITED, INC. AND AFFILIATES

Consolidated Statements of Support and Revenues Without Donor Restrictions and Expenses

Years ended June 30, 2022 and 2021

	2022	2021
Operational revenue:		
Philanthropic financial sources:		
Net proceeds from events	\$ 54,116,725	37,667,898
Direct response	13,442,952	13,890,623
Major gifts use	49,623,841	44,107,804
Planned gift maturities	842,601	1,000,000
Licensing and sponsorships	2,426,470	2,511,698
Total philanthropic revenue	120,452,589	99,178,023
Other operational support and revenue:		
Governmental reimbursements	114,704,659	93,454,626
Non-governmental partnerships	20,893,607	24,673,492
Donated conservation easements	2,667,250	104,342,054
Advertising revenue	2,776,272	2,270,948
Donated educational programming	10,717,315	8,917,227
Spend from endowment	1,774,929	5,228,441
Other revenues	2,693,120	1,694,338
	156,227,152	240,581,126
Total operational support and revenue	276,679,741	339,759,149
Operational expense:		
Program service expenses:		
Wetlands and Waterfowl conservation		
U.S. habitat delivery	165,501,836	140,325,078
Conservation easements	2,667,250	104,342,054
Government relations	3,966,261	3,201,830
Ducks Unlimited Canada	15,767,941	13,206,312
Ducks Unlimited de Mexico	1,410,020	1,074,470
Conservation education:		
Magazine and publication	4,792,044	3,757,410
Communications and conferences	7,219,210	6,572,030
Donated educational programming	10,717,315	8,917,227
Education delivery	10,376,651	9,260,089
Membership services	3,712,463	3,157,218
Total program service expenses	226,130,991	293,813,718
Fundraising expenses:		
Field operations	12,682,573	11,317,886
Direct response	10,264,650	9,985,031
Major gift development and advertising	12,384,148	10,809,330
Total fundraising expense	35,331,371	32,112,247
Administration	8,045,119	7,299,087
Total operational expense	269,507,481	333,225,052
Operational surplus	7,172,260	6,534,097
Nonoperational:		
Revolving land contributions	4,000	8,532,133
Net loss on land sales	(1,055,668)	(1,091,743)
Other quasi-endowment (loss)/contribution	(4,499,854)	294,174
Unappropriated quasi-endowment (loss)/earnings	(3,895,233)	5,740,157
Net periodic benefit cost other than service cost	(996,772)	(1,204,504)
Nonoperating loss	(10,443,527)	12,270,217
(Deficit)/Excess of support and revenues without donor restrictions over expenses	\$ (3,271,267)	18,804,314

See accompanying notes to consolidated financial statements.

DUCKS UNLIMITED, INC. AND AFFILIATES

Consolidated Statements of Cash Flows

Years ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities:		
Change in net assets	\$ 69,078,397	40,167,011
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Noncash contribution	(2,142,242)	(14,773,953)
PPP Loan forgiveness	(1,987,204)	—
Contributions restricted for investment in endowment and capital items	(1,558,984)	(3,689,051)
Depreciation	3,869,488	4,065,574
Loss on disposition of conservation lands	1,055,668	1,091,743
Loss on disposition of equipment	11,183	56,364
Provision for uncollectible pledges	(4,957)	7,371,756
Net realized and unrealized (gains)/losses on investments	12,887,581	(22,255,674)
Prepaid pension costs	(2,320,720)	(9,582,958)
Postretirement benefit liability adjustments	211,749	(1,067,064)
Changes in operating assets and liabilities:		
Restricted non-negotiable certificates of deposit	1,260,961	3,806,429
Events receivable, net	479,568	(679,560)
Pledges receivable, net	(63,221,667)	(3,304,980)
Habitat conservation and other receivables	(17,429,906)	(11,423,285)
Event merchandise inventory	(1,719,984)	310,528
Other assets	736,054	(1,344,254)
Accounts payable and accrued expenses	9,481,037	776,310
Deferred revenue	564,434	9,919,017
Compensation and related accruals	976,246	4,854,717
Deferred compensation accruals	(223,651)	914,677
Accrued postretirement benefits	(728,680)	1,255,315
Other liabilities	(23,234)	463,232
Net cash provided by operating activities	<u>9,251,137</u>	<u>6,931,894</u>
Cash flows from investing activities:		
Purchases of investments	(30,008,048)	(34,269,946)
Proceeds from sale of investments	25,277,599	33,686,777
Building and equipment purchases	(848,252)	(1,258,809)
Investments in conservation lands	(25,781,249)	(11,615,116)
Proceeds from sales of conservation lands	<u>14,063,678</u>	<u>6,907,563</u>
Net cash used in investing activities	<u>(17,296,272)</u>	<u>(6,549,531)</u>
Cash flows from financing activities:		
Proceeds from contributions restricted to endowment and capital items	1,558,984	3,689,051
Proceeds from borrowings on line of credit	13,231,000	1,615,000
Repayments of borrowings on line of credit	(4,508,310)	(9,901,089)
Repayment of notes payable	(13,913,019)	—
Proceeds from SBA loan	—	1,987,202
Net cash (used in)/ provided by financing activities	<u>(3,631,345)</u>	<u>(2,609,836)</u>
Net decrease in cash and cash equivalents	<u>(11,676,480)</u>	<u>(2,227,473)</u>
Cash and cash equivalents at beginning of year	<u>65,135,804</u>	<u>67,363,277</u>
Cash and cash equivalents at end of year	\$ <u>53,459,324</u>	\$ <u>65,135,804</u>
Reconciliation of cash and cash equivalents:		
Cash and cash equivalents	\$ 34,954,808	36,388,580
Restricted cash and cash equivalents	<u>18,504,516</u>	<u>28,747,224</u>
	\$ <u>53,459,324</u>	\$ <u>65,135,804</u>
Supplemental disclosures of cash flow information:		
Cash paid for interest	\$ 380,516	98,275
Purchase of conservation lands through notes payable	—	15,203,198
Bargain purchase on conservation lands	1,064,500	5,744,803
PPP Loan forgiveness	1,987,203	—

See accompanying notes to consolidated financial statements.

DUCKS UNLIMITED, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2022 and 2021

(1) Nature of Activities

Ducks Unlimited, Inc. (DUI) is an internationally supported, nonprofit conservation organization incorporated under the laws of the District of Columbia in 1937. DUI conserves, restores and manages wetlands and associated habitats for North America's waterfowl. These habitats also benefit other wildlife and people.

Wetlands America Trust, Inc. (WAT) is a nonprofit organization formed in 1985 to support the mission of DUI in providing leadership in the protection of the natural balance of wetland ecosystems, ensuring the future viability of waterfowl and other wetland wildlife in the United States. WAT operates exclusively for the benefit of DUI and complements DUI's domestic habitat programs in harmony with DUI's conservation priorities. WAT is also a fiduciary for DUI and manages endowments and revolving funds. DUI is the sole member of WAT.

Ducks Unlimited Lands, LLC (DUL) is a nonprofit entity formed in 2018 to support DUI in its protection of donated land assets. DUL operates exclusively for the benefit of DUI and complements DUI's domestic habitat programs in harmony with DUI's conservation priorities. DUL is also a fiduciary for DUI, and DUI is the sole member of DUL.

DUI, WAT and DUL's primary sources of revenue are contributions from the public, including gifts of land, investment income, and government grants. These resources are used to conserve portfolios of functional conservation areas across North America.

DUI, WAT and DUL (DU or the Organization) are recognized as organizations exempt from federal income tax under 501(a) as entities described in Section 501(c)(3) of the U.S. Internal Revenue Code, except for taxes on income from activities unrelated to its exempt purposes. The organization does not have any material unrecognized tax positions that should be recognized in the financial statements as of June 30, 2022 or 2021.

(2) Significant Accounting Policies

(a) Principles of Consolidation

The consolidated financial statements include the accounts of DUI, WAT and DUL. Significant accounts and transactions between DUI, WAT and DUL have been eliminated in consolidation.

(b) Cash and Cash Equivalents

Cash represents operating cash held in bank accounts in high quality financial institutions in the United States. Cash equivalents are highly liquid investments with a maturity of three months or less when purchased.

(c) Restricted Cash and Non-Negotiable Certificates of Deposit

Restricted cash and restricted non-negotiable certificates of deposit (CDs) are held in bank accounts in high quality financial institutions in the United States. The CDs are six to twelve-month time deposits and are subject to penalty if redeemed before maturity. They cannot be traded on the open market. Contractual terms, such as those contained in mitigation banking agreements, as well as certain donor stipulations require that these assets be segregated from DU's operating cash until the relevant conservation outcomes have been met. Once met, the cash is transferred to DU's operating cash.

DUCKS UNLIMITED, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2022 and 2021

DU applies Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-18, *Statement of Cash Flows (Topic 230) – Restricted Cash*, which requires that the DU consolidated statements of cash flows explain the change during the period in the total of cash, cash equivalents and amounts generally described as restricted cash or cash equivalents.

(d) Pledges Receivable

Pledges receivable represent promises from DU supporters to make contributions to DU in future periods under various major donor programs, which generally provide for payments over one to seven years.

Conditional promises to give are not recognized until the conditions on which they depend are substantially met. Pledges are reported at the net present value of the estimated future cash flows.

(e) Habitat Conservation and Other Receivables

Habitat conservation and other receivables consist of outstanding billings owed to DU by government agencies as well as non-governmental organizations. The billings consist of reimbursable expenses related to habitat delivery projects and other mission related activities allowable within the grant, contracts, or cooperative agreement.

(f) Event Merchandise Inventory

Event merchandise inventory is valued at the lower of cost or net realizable value, using the first-in, first-out method. Slow moving or potentially obsolete inventory items are written down to net realizable value.

(g) Investments and Fair Value Measurements

The carrying value of cash and cash equivalents, events receivable, habitat conservation and other receivables and accounts payable approximate fair value because of the short maturity of those instruments.

Investments with readily determinable fair values are reported based on the last reported sales price at the end of the reporting period or, in the absence of a reported sale, on the average of the bid and ask price. Investments in private equity and hedge funds are reported at the proportionate share of the estimated fair values of the underlying investments. Those fair values, which are estimated by the general partners or investment managers, are evaluated for reasonableness by the Organization's management, and may differ from the values that would have been used had a ready market existed for those investments. Investment income from donor restricted endowment funds is recognized as net assets with donor restrictions until appropriated for use. Investment income on all other investments is credited directly to net assets without donor restrictions unless otherwise restricted by the donor or organizational policy.

DU values its financial assets and liabilities based on 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. A fair value hierarchy that prioritizes the inputs to valuation techniques is used to measure fair value. The hierarchy maximizes the use of observable inputs and minimizes the use of unobservable

DUCKS UNLIMITED, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2022 and 2021

inputs by requiring that the most observable inputs be used when available. The hierarchy is broken down into the following three levels, based on the observability of inputs:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that are observable at the measurement date

Level 2: Significant observable inputs other than Level 1 prices, 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 data; and

Level 3: Significant unobservable inputs for the asset or liability that reflect the reporting entity's own estimates about the assumptions that market participants would use in pricing the asset or liability.

DU applies FASB ASU 2018 13, *Fair Value Measurement, Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurement* which intends to improve the effectiveness of disclosures in the notes to the consolidated financial statements by modifying disclosure requirements for fair value measurements

(h) Land Held for Conservation Purposes

Land held for conservation purposes includes purchased or donated properties to be sold or transferred to governmental agencies or other individuals and organizations for conservation purposes. Purchased land is stated at the lesser of cost or fair value. Donated properties are initially recorded at their appraised values at the date of contribution and are carried at the lower of this amount or fair value.

(i) Land, Buildings, and Equipment

Land, buildings, and equipment are stated at cost. Expenditures for maintenance and repairs that do not improve or extend the lives of the respective assets are expensed as incurred. When assets are retired or sold, the related cost and accumulated depreciation are removed from the accounts, and any gain or loss on retirement or disposal of the individual assets is recorded as revenue or expense.

Depreciation is computed using the straight-line method over the estimated useful lives of the related assets as follows:

Buildings	10–40 years
Building improvements	5–15 years
Computer equipment and technology	
conversion costs	3–5 years
Furnishings and equipment	5–10 years

DUCKS UNLIMITED, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2022 and 2021

DU periodically reviews the recoverability of long-lived assets. If facts or circumstances indicate the possibility of impairment, DU will prepare a projection of the undiscounted future cash flows of the specific assets and determine if the recorded value is recoverable or if an adjustment to the carrying value of the assets is necessary. DU does not believe that there were any facts or circumstances that indicated an impairment of recorded land, buildings or equipment as of June 30, 2022 or 2021.

(j) Charitable Gift Annuities

DU has received several gifts that, pursuant to the gift agreements, require DU to pay a fixed amount for a specified period of time to the donor or to individuals or organizations designated by the donor. The amount recorded as a contribution at the time the gift is made is the difference between the amount of the gift and the present value of the donor stipulated beneficiary payments to be made by DU as of the date of the gift. DU's liability under these arrangements, which is recorded as a component of other liabilities in the accompanying consolidated balance sheets, is recorded at the net present value of the remaining donor-stipulated payments and is adjusted annually.

(k) Net Assets

DU reports gifts of cash and other assets as support with donor restrictions if they are received with donor stipulations that limit their use. When a donor restriction is satisfied, that is, when a stipulated time restriction expires or program restriction is accomplished, net assets with donor restrictions are transferred to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions.

DU classifies donor restricted contributions as support without donor restrictions if those restrictions are satisfied in the same reporting period. DU recognizes contributions of collectibles (for example, works of art or similar assets that are held for public exhibition or education) as support without donor restrictions, unless restricted by the donor.

Net assets with donor restrictions include pledges receivable that are restricted by time and/or purpose restrictions, habitat conservation gifts that are restricted by donor stipulation and unappropriated appreciation on donor restricted endowment funds.

(l) Donated Conservation Easements

Conservation easements represent rights to restrict the use, access and development of certain properties. Support without donor restrictions and expenses are recognized in equal amounts during the period the easement is secured based upon the appraised value of the easement. DU is obligated to monitor easements to ensure that the restrictions are maintained. DU monitors these easements in the normal course of its operations and associated costs are expensed as incurred.

Estimated value of easements is not included in the consolidated balance sheets because the easements do not represent a future economic benefit to the Organization.

DU receives donor restricted endowments to support donated conservation easements in order to provide funding for ongoing monitoring costs in perpetuity.

DUCKS UNLIMITED, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2022 and 2021

(m) Donated Educational Programming

DU recognizes the in-kind donation of television airtime for public service announcements (PSAs) that provide education about DU's program and mission. Support without donor restrictions and expenses are recognized in equal amounts based upon the estimated value of media content and delivery by a third party.

(n) Pension and Postretirement Benefit Plans

DU records the overfunded or underfunded status of benefit plans on its consolidated balance sheet. Changes in funded status other than service costs are recognized as other nonoperational changes in net assets in the year in which the change occurs. DU measures the plan at June 30 each year. DU engages a third-party actuary to perform computations necessary to record its pension and postretirement plan-related balances.

(o) Revenue

(i) Philanthropic and other support and revenues

Contributions and grants from governmental and nongovernmental sources are recognized in the appropriate category of net assets, based on restricted or unrestricted donor stipulations, in the period received. The Organization performs an analysis of contributions and grants to determine if the revenue streams follow guidance as a contribution, exchange or conditional transaction. Contributions are recognized as revenue as donor restrictions are satisfied. Conditional and exchange transactions are treated as deferred revenue until the conditions are met and the obligation has been satisfied as specified in the agreement.

Event revenue is recognized when the performance obligation is satisfied, which is when the event takes place. Transaction price is based on cost plus contribution. Contributions received in advance are deemed time restricted and are classified in with donor restrictions in the consolidated balance sheet. Memberships and planned giving are contributions recognized upon receipts.

Advertising, corporate licensing and sponsorship contracts are considered exchange transactions and are recognized as the performance obligations are satisfied. Unrecognized revenues are categorized as deferred revenue.

(ii) Mitigation contracts

DU applies ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)* and DU has elected to opt out of certain disclosures not required for nonpublic entities.

Mitigation contracts include both in-lieu fee and mitigation banking agreements. The contractual obligations are detailed in the contract and revenue recognition takes place as performance obligations are satisfied. Given the lengthy and integrated nature of mitigation programs, the output method of revenue recognition correlates with the progress made on the project. Conservation lands may be purchased as part of the contract. Conservation lands are purchased and held by WAT until the mitigation project is completed. The disposal or long-term management and protection of the land is typically included in the plan or contract. Any costs incurred at the time of site closure or transfer to a long-term steward will be recognized with the associated revenue as the obligation is fulfilled.

DUCKS UNLIMITED, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2022 and 2021

(p) Use of Estimates

The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates. Estimates are used primarily in the recording of the allowance for uncollectible pledges receivable, the discounting of pledges receivable, determining the fair value of certain investments including lands, determining the fair value of gifts-in-kind associated with donated educational programming, donated lands and donated easements, estimates relating to the pension and other postretirement plans and reserves for self-insurance.

(q) Donor Restricted Endowment Funds

Under the provisions of the State of Tennessee's version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA), organizations are required to maintain and report endowment funds based upon donor intent, whether explicit or implied. Based on its interpretation of the provisions of UPMIFA and a review of underlying endowment agreements, management has determined that reporting the historic dollar value of donor restricted endowments with the related unappropriated investment earnings, as net assets with donor restrictions is appropriate and consistent with the intent of DU's donors.

(r) Related Party Transactions

DU has continued to support to the conservation efforts of Ducks Unlimited Canada and Ducks Unlimited de Mexico.

(s) Recently Issued Accounting Standards

In August 2018, the FASB issued ASU 2018-14, *Disclosure framework - Changes to the disclosure requirements for defined benefit plans*. This ASU clarifies disclosure requirements for defined benefit plans. The ASU was effective for DU as of July 1, 2021 and did not have a material effect on the consolidated financial statements or disclosures.

In August 2018, the FASB issued ASU No. 2018-15, *Intangibles – Goodwill and Other-Internal-Use Software, Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement that is a Service Contract*. This ASU aligns the requirements for capitalizing implementation costs incurred in a hosting arrangement that is a service contract with the requirements for capitalizing implementation costs incurred to develop or obtain internal-use software. ASU 2018-15 was adopted as of July 1, 2021, and there were no material changes to the consolidated financial statements or disclosures.

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. The ASU changes the accounting treatment for operating leases by recognizing a lease asset and lease liability at the present value of the lease payments in the statements of financial position and disclosing key information about leasing arrangements. In June 2020, the FASB issued ASU 2020-05, delaying the effective date for not-for-profit entities until fiscal years beginning after December 15, 2021, with early adoption permitted. DU is currently evaluating the impact that ASU 2016-02 will have on its consolidated financial statements.

DUCKS UNLIMITED, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2022 and 2021

In September 2020, the FASB issued ASU 2020-07, Not-for-Profit Entities (Topic 948): Presentation and Disclosures by Not-for-Profit Entities for Contributed Non-Financial Assets. This ASU changes the presentation and disclosure requirements for not-for-profit entities to increase transparency about contributed non-financial assets. ASU 2020-07 was adopted as of July 1, 2021 and changes were made to the consolidated statement of activities to present the nonfinancial support and revenues separately from the financial support and revenues. Also, changes were made for disclosure of fair value determination for contributed non-financial assets.

(t) COVID-19- Cares Act

The Coronavirus Aid, Relief, and Economic Security (CARES) Act was passed by Congress in March 2020. As part of the CARES Act, DU received relief through the payroll tax deferral and the employee retention credit provisions. Additionally, DU received a loan under the Paycheck Protection Program (PPP). On September 24, 2021, the Small Business Administration sent notice of PPP loan forgiveness for the entire amount of the loan. Management continually monitors the impact of COVID-19 on DU.

(u) Reclassifications

Certain reclassifications have been made to the 2021 consolidated financial statements to conform to the 2022 presentation.

(v) Subsequent Events

DU has evaluated events and transactions for potential recognition or disclosure through September 26, 2022, which is the date these consolidated financial statements were available to be issued. No subsequent events were noted.

(3) Fundraising Events

DU raises funds to support its conservation mission through fundraising events in communities throughout the United States. During the years ended June 30, 2022 and 2021, DU volunteers hosted approximately 4,440 and 4,490 grassroots fund-raising events, respectively. Events included member and sponsor banquets, sporting clay and fishing tournaments, golf outings, etc. Chapters are chartered by DU and operate as unincorporated associations to support DU in the local community. Local chapters remit proceeds of these events (net of direct expenses incurred by the chapter in sponsoring and conducting the event) to DU and provide reports of receipts and direct expenses. Because the financial transactions of local committees are controlled by the volunteers, net amounts to be remitted to DU are recorded as event receivables in the accompanying consolidated balance sheets and net proceeds from committee events in the accompanying consolidated statements of support and revenues without donor restrictions and expenses.

DUCKS UNLIMITED, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2022 and 2021

The following unaudited gross proceeds and unaudited direct expenses incurred by DU chapters in conducting these events are based on reports provided by the host chapters for each event.

	Year ended June 30	
	2022	2021
Gross proceeds reported by DU chapters (unaudited)	\$ 132,089,917	86,473,098
Expenses incurred by DU chapters (unaudited)	<u>(46,484,825)</u>	<u>(25,737,422)</u>
Proceeds of events remitted to DU	85,605,092	60,735,676
Less:		
Cost of event merchandise	(30,846,975)	(23,036,321)
State operation allowances	<u>(641,392)</u>	<u>(31,457)</u>
Net proceeds from committee events	<u>\$ 54,116,725</u>	<u>37,667,898</u>

(4) Investments and Fair Value Measurements

The following tables set forth DU's investments by level within the fair value hierarchy, as of June 30, 2022 and 2021:

	2022			
	Level 1	Level 2	Level 3	Total
Investments:				
Equities:				
Large-cap value	\$ 20,299,016	—	—	20,299,016
Large-cap growth	15,051,521	—	—	15,051,521
Small and mid-cap core	25,680,603	—	—	25,680,603
International	5,217,393	—	—	5,217,393
Commodities	3,933,309	—	—	3,933,309
Real estate	581,986	—	—	581,986
Fixed income	<u>7,352,043</u>	<u>—</u>	<u>—</u>	<u>7,352,043</u>
	<u>\$ 78,115,871</u>	<u>—</u>	<u>—</u>	<u>78,115,871</u>
Investments valued under net asset value (NAV):				
Private equity				2,209,225
Hedge funds				<u>10,019,301</u>
Total investments at fair value				<u>\$ 90,344,397</u>

DUCKS UNLIMITED, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2022 and 2021

	2021			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments:				
Equities:				
Large-cap value	\$ 20,442,547	—	—	20,442,547
Large-cap growth	20,900,466	—	—	20,900,466
Small and mid-cap value	444,552	—	—	444,552
Small and mid-cap growth	1,325,396	—	—	1,325,396
Small and mid-cap core	23,664,730	—	—	23,664,730
International	5,011,024	—	—	5,011,024
Commodities	3,798,359	—	—	3,798,359
Real estate	2,489,267	—	—	2,489,267
Fixed income	8,752,886	—	—	8,752,886
	<u>\$ 86,829,227</u>	<u>—</u>	<u>—</u>	<u>86,829,227</u>
Investments valued under net asset value (NAV):				
Private equity				899,153
Hedge funds				<u>10,773,149</u>
Total investments at fair value				<u>\$ 98,501,529</u>

In accordance with FASB ASC Subtopic 820-10, certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in the tables above are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the accompanying consolidated balance sheets.

Investments in private equity represent funds which invest in illiquid securities from private companies and have limited or no provisions for investor-driven redemption. The table below presents a summary of the fair value, redemption frequency, unfunded commitments, and average life of distribution of hedge fund and private equity investments as of June 30, 2022 and 2021:

	<u>Investment</u>	<u>Fair value</u>	<u>Unfunded commitments</u>	<u>Redemption frequency (if eligible)</u>	<u>Redemption notice period</u>	<u>Expected life span of investment</u>
2022	Private equity	\$ 2,209,225	59,500	N/A	N/A	< 10 years
	Hedge funds	\$ 10,019,301	570,948	Quarterly – Semiannually	90 days	Indefinite
2021	Private equity	\$ 899,153	470,606	N/A	N/A	< 10 years
	Hedge funds	\$ 10,773,149	300,000	Quarterly – Semiannually	90 days	Indefinite

DUCKS UNLIMITED, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2022 and 2021

(5) Pledges Receivable

Pledges receivable are summarized as follows at June 30:

	2022	2021
Amounts due:		
Less than 1 year	\$ 20,105,516	17,330,220
1 to 5 years	59,611,261	21,449,314
Greater than 5 years	22,944,345	659,921
	102,661,122	39,439,455
Less:		
Allowance for uncollectible pledges	(6,927,295)	(7,341,190)
Unamortized present value discount	(872,705)	(463,767)
	\$ 94,861,122	31,634,498

An allowance is recorded for uncollectible pledges based on management's judgment and analysis of the creditworthiness of the donors, past collection experience and other relevant factors. Fair value of pledges receivable is estimated giving consideration to anticipated future cash receipts (after allowance is made for uncollectible contributions) and discounting such amounts at a rate commensurate with the duration of the donor's payment plan. Such rates ranged from 0.63% to 3.21% as of June 30, 2022, and 0.13% to 3.09% as of June 30, 2021. In subsequent periods, the discount rate is unchanged and the allowance for uncollectible contributions is reassessed and adjusted if necessary. Amortization of the discount is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. An allowance is recorded for uncollectible pledges based on management's judgment and analysis of the creditworthiness of the donors, past collection experience and other relevant factors.

(6) Land Held for Conservation Purposes

Land held for conservation purposes is as follows at June 30, 2022 and 2021:

Location	2022		2021	
	Acres protected	Carrying value	Acres protected	Carrying value
Arkansas	183	\$ 642,330	—	\$ —
California	558	4,473,374	595	4,834,764
Colorado	232	267,459	232	420,459
Florida	1,307	5,275,000	—	—
Iowa	160	1,081,550	160	1,081,550
Illinois	63	107,880	—	—
Kansas	3,375	7,921,237	2,089	5,175,569

DUCKS UNLIMITED, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2022 and 2021

Location	2022		2021	
	Acres protected	Carrying value	Acres protected	Carrying value
Louisiana	3,377	\$ 17,159,814	3,377	\$ 17,159,814
Michigan	—	—	246	432,485
Minnesota	471	2,593,325	256	1,238,268
Montana	2,920	1,033,417	2,920	1,033,634
Nebraska	3,291	9,288,678	4,197	13,772,663
New Jersey	—	—	171	94,061
New York	1,478	2,224,788	1,204	1,382,761
North Dakota	3,398	3,222,103	3,397	3,222,103
Ohio	100	525,126	—	—
South Carolina	1,005	2,517,362	1,005	2,517,362
South Dakota	5,843	20,679,669	6,155	21,947,845
Tennessee	163	303,216	163	303,216
Texas	1,767	4,750,000	—	—
Virginia	1,405	6,683,092	749	2,128,537
Vermont	418	685,650	250	320,606
Washington	71	109,422	71	109,422
Wisconsin	—	—	592	1,565,227
	<u>31,585</u>	<u>\$ 91,544,492</u>	<u>27,829</u>	<u>\$ 78,740,346</u>

Of the above listed land holdings, the following properties have been deemed long-term holdings of the Organization:

Location	2022		2021	
	Acres protected	Carrying value	Acres protected	Carrying value
California	242	\$ —	242	\$ —
Nebraska	1,028	13,712	1,028	13,712
North Dakota	3,120	1,649,076	3,120	1,649,076
	<u>4,390</u>	<u>\$ 1,662,788</u>	<u>4,390</u>	<u>\$ 1,662,788</u>

(7) Donated Conservation Easements

In addition to holding land for conservation purposes, DU (through its affiliate WAT) also secures conservation easements, deed restrictions and management agreements on properties. Easement values represent the difference in the appraised value of the property immediately before and after the conservation easements are imposed on the property.

DUCKS UNLIMITED, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2022 and 2021

Easement values have been determined by independent third-party appraisals at the time the easement is secured. As discussed in note 2(l), DU recognizes equal amounts of support without donor restrictions and program expense at the time the easement is secured.

Conservation easement activity during the years ended June 30, 2022 and 2021 was as follows:

	<u>2022</u>		<u>2021</u>	
	<u>Acres</u>	<u>Value at date of easement</u>	<u>Acres</u>	<u>Value at date of easement</u>
Donated conservation easements secured during the year ended June 30	1,037	\$ 2,667,250	30,031	\$ 104,342,054
Total donated conservation easements held as of June 30	460,157	\$ 822,110,465	459,120	\$ 819,443,215

(8) Land, Buildings, and Equipment

Land, buildings, and equipment consist of the following at June 30:

	<u>2022</u>	<u>2021</u>
Land	\$ 1,405,264	1,405,264
Buildings and improvements:		
Memphis Headquarters	9,723,730	9,525,172
Western Regional Office	1,085,380	1,085,380
Great Plains Regional Office	2,382,811	2,366,511
Heritage Center in Memphis	14,000,000	14,000,000
Computer and technology conversion costs	7,396,391	7,387,031
Furnishings and equipment	14,606,542	13,993,692
	<u>50,600,118</u>	<u>49,763,050</u>
Less accumulated depreciation	<u>(38,306,766)</u>	<u>(34,437,278)</u>
	<u>\$ 12,293,352</u>	<u>15,325,772</u>

DUCKS UNLIMITED, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2022 and 2021

(9) Liquidity

The Organization's financial assets available for general expenditures within one year of the consolidated balance sheets as of June 30, 2022, and 2021 are as follows:

	2022	2021
Cash and cash equivalents	\$ 34,954,808	36,388,580
Restricted cash, cash equivalents and CDs	18,504,516	30,008,185
Investments	90,344,397	97,602,376
Events receivable, net	497,329	976,897
Current pledge receivable, net	20,105,516	14,007,817
Habitat conservation and other receivables	52,384,760	32,754,854
Total financial assets available within one year	216,791,326	211,738,709
Less:		
Amounts unavailable for general expenditure within one year due to:		
Restricted by donors with purpose restrictions	(49,222,335)	(51,411,216)
Restricted by donors in perpetuity*	(53,740,210)	(59,443,615)
Contractual restrictions	(38,830,809)	(38,266,375)
Notes payable – conservation land financing	(17,454,683)	(13,933,000)
Total amounts unavailable for general expenditure within one year	(159,248,037)	(163,054,206)
Amounts unavailable to management without Board approval:		
Board designated for quasi-endowment*	(27,551,920)	(31,697,500)
Board designated for strategic conservation initiatives	(9,043,147)	(4,267,161)
Total amounts unavailable without Board approval	(36,595,067)	(35,964,661)
Total financial assets available to management for general expenditures within one year	\$ 20,948,222	12,719,842

* Net of spend available within one year

As part of the Organization's liquidity management, DU has a policy to structure its financial assets to be available as its general expenditures, liabilities and other general obligations come due. Within the \$17,454,683 note payable for conservation lands is \$1,648,644 seller financing for the purchase of properties within the conservation land portfolio.

Ducks Unlimited invests excess cash in short-term investments. To help manage unanticipated liquidity needs, management has an operating line of credit of \$15,000,000 of which \$0 was drawn as of both June 30, 2022 and 2021. The operating line of credit matures on October 1, 2024 (see note 10).

DUCKS UNLIMITED, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2022 and 2021

(10) Other Notes Payable and Line of Credit

DU has an operating line of credit agreement (the Credit Agreement) for up to \$15,000,000. The borrowing rate on the Credit Agreement is the lesser of the lender's maximum variable rate of interest or a rate equal to the base commercial rate of interest. As of June 30, 2022, and 2021, the borrowing rate was 2.44% and 1.47%, respectively. The Credit Agreement contains certain restrictions limiting DU's ability to incur additional indebtedness, enter into merger, consolidation, sale or acquisition activities other than in the normal course of business. The Credit Agreement also prohibits DU from granting any security interest in its inventory, pledges, other receivables, investments and fixed assets. On October 28, 2021, the Credit Agreement was amended. Under the amendment, the expiration date is October 1, 2024, and the borrowing rate is the lesser of the lender's maximum variable rate of interest or the Reserve Adjusted London Interbank Offered Rate (LIBOR) plus one and thirty-eight hundredths percent (1.38%). As of both June 30, 2022 and 2021, the outstanding balance under the Credit Agreement was \$0.

DU also has a line of credit agreement to finance the acquisition of conservation properties. Under the arrangement, DU may borrow up to \$10,000,000 at a rate equal to the lesser of a) the lender's maximum variable rate of interest or b) a rate chosen by the lender. The lender may choose to charge a rate equal to the base commercial rate of interest or the Reserve Adjusted LIBOR Rate plus one-hundred and thirty-eight basis points (1.38%). The agreement requires that unrestricted net assets without donor restrictions be \$50,000,000 and contains certain restrictions limiting DU's ability to incur additional indebtedness, and enter into merger, consolidation, sale or acquisition activities other than the normal course of business. The agreement also prohibits DU from granting any security interest in its inventory, pledges, other receivables, investments and fixed assets. On October 28, 2021, the credit arrangement was amended. Under the amendment, the expiration date is October 1, 2024. As of June 30, 2022, the borrowing rate was 2.44% and approximately \$2,090,000 was outstanding under the agreement. As of June 30, 2021, the borrowing rate was 1.47% and approximately \$6,599,000 was outstanding.

On February 16, 2022, DU established a \$30,000,000 debt facility to finance the acquisition of larger dollar valued conservation properties. Under the arrangement, DU may borrow up to \$30,000,000 at a variable rate—adjusted monthly—equal to the greater of 1) the lender's base rate minus one hundred and thirty-five basis points (1.35%), or 2) 1.9%. The arrangement limits additional indebtedness from seller financing to \$5,000,000. The agreement requires that unrestricted net assets remain above \$80,000,000 and that cash plus investments not associated with donor-restricted endowments remain above \$32,000,000. As of June 30, 2022, DU has made two draws on this debt facility in the amounts of \$4,431,000 and \$8,800,000 with a borrowing rate of 3.4%. The total outstanding under this agreement is \$13,231,000 as of June 30, 2022.

(11) Concentration of Credit Risk

DU had deposits with financial institutions that exceeded federal depository insurance limits by \$29,749,611 and \$27,628,326 at June 30, 2022 and 2021, respectively. DU has not experienced any losses on cash deposits and management considers the risk of loss to be remote. Additionally, DU's investment consultant monitors the credit rating of each of its financial institutions.

DUCKS UNLIMITED, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2022 and 2021

(12) Benefit Plans

DU has a defined benefit pension plan (the Pension Plan), which prior to the suspension of future accruals, effective December 31, 2012, covered all full-time and certain eligible part-time employees. Prior to December 31, 2012, for employees hired prior to January 1, 1998, monthly retirement benefits were calculated as 2% of each employee's average monthly compensation for the highest consecutive 36 months of compensation out of the last 120 months of employment multiplied by their years of service, offset by a percentage of their primary social security benefits. Prior to December 31, 2012, for employees hired on January 1, 1998, through September 30, 2002, monthly retirement benefits were calculated as 1% of each employee's average monthly compensation for the highest consecutive 36 months of compensation out of the last 120 months of employment multiplied by their years of service up to a maximum of 25 years. Additionally, for employees hired on January 1, 1998, through September 30, 2002, the sum of their calculated retirement benefit and primary social security benefit cannot exceed 75% of their average monthly compensation. Employees hired on or after October 1, 2002, receive a cash balance benefit equal to 2% of their annual compensation plus interest based on the 10-year treasury yield. Employees are vested 100% in the plan after five years of service. DU contributes such amounts as are necessary to maintain the plan as a qualified pension plan under the Employee Retirement Income Security Act of 1974, as amended.

On December 31, 2021, DU announced the termination of the Pension Plan commencing the administrative process to distribute pension assets to plan participants and to transfer existing annuity contracts to a third-party insurance carrier. In February 2022, DU filed a notice of plan termination with the Internal Revenue Service but has not yet received a determination on the termination of the Pension Plan. Although subject to administrative processes with the federal government, the Organization's management currently estimates that distributions will occur in March or April of 2023.

DU also sponsors unfunded defined benefit healthcare and life insurance plans (the Postretirement Medical and Life Plans) that provide postretirement benefits to full-time employees who have worked at least 10 years for DU. To qualify for benefits under the health and life insurance plans, employees must have attained ages of at least 62 and 55, respectively, while in service with DU. In April 2009, DU amended the Postretirement Medical and Life Plans to eliminate life insurance benefits provided to retirees; to eliminate retiree health coverage for all current, former and future employees of DU, except for participants over the age of 58 as of May 1, 2009, or certain senior level management positions held as of May 1, 2009; and to require that retirees pay a portion of the monthly premium cost.

In May 2020, DU offered a one-time healthcare benefit to employees who opted into a voluntary retirement program (VRP) that was offered to eligible employees. As part of the offering, DU agreed to maintain an employee's current healthcare coverage under the Organization's existing healthcare plan at no cost to the employee. The employee will receive the benefit until the employee reaches 65 years of age or the employee accepts a compensated role at any nonprofit organization. Per ASU 715, *Compensation – Retirement Benefits* a liability and expense were recognized for the net present value of future healthcare benefits for those employees that signed the program agreement on or before June 30, 2021. During the year ended June 30, 2022, approximately \$0 of healthcare expenses were recognized within operational expenses compared to approximately \$1,390,000 for year ended June 30, 2021. The liability is reflected within the accrued postretirement benefits line item on the consolidated balance sheet as of June 30, 2022. Pension settlements for the year ended June 30, 2021, attributable to the VRP offering totaled approximately \$6,311,000. There were no such settlements for the year ended June 30, 2022.

DUCKS UNLIMITED, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2022 and 2021

Information with respect to the plans was as follows at June 30:

	Pension		Postretirement medical and life	
	2022	2021	2022	2021
Change in benefit obligation:				
Benefit obligation at beginning of the year	\$ 50,447,710	57,427,478	1,945,008	752,253
Service cost	300,000	300,000	—	—
Interest cost	1,215,107	1,244,487	18,848	9,742
Special termination benefit	—	—	—	1,405,305
Actuarial (gain)/loss	(4,348,720)	126,319	(2,425)	(87,995)
Benefits paid	(960,553)	(961,591)	(533,355)	(134,297)
Settlement	(4,332,815)	(7,398,468)	—	—
Actual expenses paid	(308,348)	(290,515)	—	—
Benefit obligation at end of the year	42,012,381	50,447,710	1,428,076	1,945,008
Change in plan assets:				
Plan assets at fair value at beginning of the year	51,703,501	49,100,311	—	—
Actual (loss)/return on plan assets	(2,012,893)	10,753,764	—	—
Employer contributions	1,500,000	500,000	533,355	134,297
Benefits paid	(960,553)	(961,591)	(533,355)	(134,297)
Settlement	(4,332,815)	(7,398,468)	—	—
Actual expenses paid	(308,348)	(290,515)	—	—
Plan assets at fair value at end of the year	45,588,892	51,703,501	—	—
Funded status:				
Benefit obligation in excess of (less than) plan assets	\$ <u>3,576,511</u>	<u>1,255,791</u>	<u>(1,428,076)</u>	<u>(1,945,008)</u>

DUCKS UNLIMITED, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2022 and 2021

Assumptions used in the actuarial determination of the projected benefit obligation were as follows at June 30:

	Pension		Postretirement medical and life	
	2022	2021	2022	2021
Discount rate	4.30 %	2.38 %	3.63 %	1.13 %
Expected long-term rate of return on plan assets	4.75 %	7.00 %	—	—
Healthcare cost trend rate	—	—	6.00 %	6.25 %

The expected long-term rate of return on plan assets reflects DU's expectations of long-term average rates of return on funds invested to provide benefits included in the projected benefit obligation. In developing the expected long-term rate of return assumption, DU evaluated input from its third-party actuarial and investment firms and considered other factors, including inflation, interest rates, peer data, and historical returns.

The weighted average annual assumed rate of increase in the per capita cost of covered benefits (healthcare cost trend rate) is assumed at 5.50% over two years and to decrease gradually to 3.94% over the next 55 years and remain level thereafter.

The Pension Plan's actual and target asset allocations were as follows:

	Actual asset allocation		Target allocation (FY21)
	June 30, 2022	June 30, 2021	
Equities:			
Large-cap	19 %	32 %	20%–60%
Small and mid-cap	2	17	10%–30%
International	1	11	5%–20%
Real estate	—	3	0%–5%
Fixed income	76	31	15%–40%
Alternatives	1	4	0%–20%
Cash and cash equivalents	1	2	0%–10%
Total	<u>100 %</u>	<u>100 %</u>	

After the Organization's decision to terminate the Pension Plan, DU reallocated the investments comprising the Pension Plan assets to minimize risk. In consultation with DU's investment advisor and Investment Subcommittee, the portfolio was heavily weighted towards bonds with durations timed to coincide with estimated disbursement dates. An adjusted target allocation for the portfolio was instituted reflecting the

DUCKS UNLIMITED, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2022 and 2021

desire for principal protection and decreased volatility. The target allocation for the portfolio prescribes 75-100% in fixed income and 0-25% in large-cap equities.

The fair values of DU's pension plan assets at June 30, 2022 and 2021 by asset category are as follows:

		2022			
		Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$	383,409	—	—	383,409
Equities:					
Large-cap value		3,485,843	—	—	3,485,843
Large-cap growth		5,319,224	—	—	5,319,224
Small and mid-cap core		657,474	—	—	657,474
International		289,804	—	—	289,804
Fixed income		35,080,653	—	—	35,080,653
	\$	<u>45,216,407</u>	<u>—</u>	<u>—</u>	<u>45,216,407</u>
Investments valued under NAV:					
Private equity					<u>372,485</u>
					<u>\$ 45,588,892</u>
		2021			
		Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$	1,033,171	—	—	1,033,171
Equities:					
Large-cap value		6,361,922	—	—	6,361,922
Large-cap growth		9,898,821	—	—	9,898,821
Small and mid-cap core		8,947,385	—	—	8,947,385
International		5,800,842	—	—	5,800,842
Real estate		1,406,979	—	—	1,406,979
Fixed income		16,087,533	—	—	16,087,533
	\$	<u>49,536,653</u>	<u>—</u>	<u>—</u>	<u>49,536,653</u>
Investments valued under NAV:					
Private equity					341,982
Hedge funds					<u>1,824,866</u>
					<u>\$ 51,703,501</u>

In accordance with FASB ASC Subtopic 820-10, certain investments that are measured at fair value using the NAV per share (or its equivalent) practical expedient have not been classified in the fair value

DUCKS UNLIMITED, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2022 and 2021

hierarchy. The fair value amounts presented in the tables above are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the accompanying consolidated financial statements.

At June 30, 2022 and 2021, DU's pension plan was committed to fund additional amounts to private equity funds totaling approximately \$0 and \$223,000, respectively.

Net periodic pension and postretirement benefit and settlement costs, based on actuarial evaluations, comprised the following components for the years ended June 30:

	Pension		Postretirement medical and life	
	2022	2021	2022	2021
Service cost	\$ 300,000	300,000	—	—
Interest cost	1,215,107	1,244,487	18,848	9,742
Expected return on plan assets	(2,221,350)	(3,282,822)	—	—
Amortization of net actuarial loss (gain)	1,222,417	1,822,264	(11,047)	(25,435)
Net periodic benefit cost (income)	516,174	83,929	7,801	(15,693)
Settlement expense	780,598	1,420,575	—	1,405,305
	<u>\$ 1,296,772</u>	<u>1,504,504</u>	<u>7,801</u>	<u>1,389,612</u>

At June 30, the items not yet recognized as a component of net periodic expense, but which have been recognized in the accompanying consolidated financial statements as a reduction to net assets, were as follows:

	Pension		Postretirement medical and life	
	2022	2021	2022	2021
Net actuarial loss (gain)	\$ 7,569,936	9,686,428	(224,543)	(233,165)

The June 30, 2022 balance of net actuarial loss/(gain) for the pension and the postretirement medical and life plans expected to be amortized in fiscal 2023 is approximately \$459,213 and \$26,537, respectively.

DUCKS UNLIMITED, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2022 and 2021

Estimated future benefit payments, which have been adjusted to reflect the effect of future service costs, were as follows as of June 30, 2022:

	<u>Pension</u>	<u>Postretirement medical and life</u>
Years ending June 30:		
2023	\$ 42,012,381	463,648
2024	—	383,406
2025	—	292,367
2026	—	181,894
2027	—	81,210
2028–2032	—	80,788

DU may contribute at its discretion to the Pension Plan or to the Postretirement Medical and Life Plans. During the fiscal year ended June 30, 2022, DU contributed \$1,500,000 to the Pension Plan and \$533,000 to the Postretirement Medical and Life Plans. During the fiscal year ended June 30, 2021, DU contributed \$500,000 to the Pension Plan and \$134,297 to the Postretirement Medical and Life Plans.

Other Plans

On January 1, 2000, DU offered a defined contribution retirement plan (the 401(k) Plan) that covers all employees. Employer matching contributions to the 401(k) Plan were approximately \$1,792,000 and \$2,128,000 for the years ended June 30, 2022 and 2021, respectively. Enhanced benefits made to the 401(k) plan in conjunction with the pension plan freeze in 2013 were approximately \$2,083,000 and \$916,000 for the years ended June 30, 2022 and 2021, respectively.

In addition to the retirement plans discussed above, DU has entered into other nonqualified deferred compensation plans that provide for increased benefits for certain individuals. DU accrues the expense for these agreements over the estimated service period based on the net present value of future benefits. The discount rate was 2.25% for both the years ended June 30, 2022 and 2021.

The components of the pension and nonqualified deferred compensation accrual balance were as follows as of June 30, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Nonqualified deferred compensation	\$ 1,146,829	1,370,480
Prepaid pension costs	<u>(3,576,511)</u>	<u>(1,255,791)</u>
	<u>\$ (2,429,682)</u>	<u>114,689</u>

DUCKS UNLIMITED, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2022 and 2021

(13) Commitments and Contingencies

(a) Leases

DU leases office space under various operating leases. Rent expense for all operating leases was approximately \$1,341,000 and \$1,329,000, for the years ended June 30, 2022 and 2021, respectively.

Future minimum payments, by year and in the aggregate, under noncancelable operating leases with terms of one year or more at June 30, 2022, approximate:

Year ending June 30:	
2023	\$ 401,897
2024	556,289
2025	570,137
2026	584,330
2027	598,862
Thereafter	<u>2,736,037</u>
	<u>\$ 5,447,552</u>

The land upon which DU's headquarters building in Memphis, Tennessee is constructed is leased under a long-term agreement. Lease payments are \$1 per year and DU executed the second 10-year option in August 2021. DU has the right to extend this agreement for one additional 10-year term and intends to do so.

(b) Litigation

DU is a party to certain litigation and claims in the normal course of conducting its business. Management believes, based in part on consultation with legal counsel, that the ultimate resolution of these matters will not have a material effect on the accompanying consolidated financial statements.

(14) Functional Expenses including Nonoperational Pension Costs

The costs of providing the various programs and activities have been summarized on a functional basis in the consolidated statements of support and revenues without donor restrictions and expenses. Accordingly, certain joint costs such as information technology, insurance and building expenses have been allocated among the programs and supporting services based on usage and square footage.

DUCKS UNLIMITED, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2022 and 2021

Functional expenses for the period ended June 30, 2022 were the following:

	Program	Supporting service		Total supporting service expenses	Total expenses June 30, 2022
	Conservation and education	Fundraising	Administration		
Employee compensation and benefits	\$ 49,377,997	18,425,823	5,500,304	23,926,127	73,304,124
Public and donor relations	665,700	2,070,068	40,874	2,110,942	2,776,642
Contract services and professional fees	2,884,573	1,169,461	717,905	1,887,366	4,771,939
Information technology	2,898,069	1,524,539	189,745	1,714,284	4,612,353
Travel and meetings	2,531,086	2,681,812	114,108	2,795,920	5,327,006
Interest	370,102	—	9,605	9,605	379,707
Equipment, supplies, repairs and depreciation	3,793,214	523,356	704,755	1,228,111	5,021,325
Office, occupancy and other expenses	2,021,571	355,496	868,514	1,224,010	3,245,581
Insurance	663,539	318,085	147,726	465,811	1,129,350
Membership enrollment premiums	579	4,665,100	3,099	4,668,199	4,668,778
Postage and shipping	2,344,527	2,308,994	11,834	2,320,828	4,665,355
Printing and publication	3,235,047	1,487,925	12,222	1,500,147	4,735,194
Donated public service announcements	10,717,315	—	—	—	10,717,315
Waterfowl conservation:					
Ducks Unlimited Canada	15,767,941	—	—	—	15,767,941
Ducks Unlimited de Mexico	1,410,020	—	—	—	1,410,020
Habitat development	125,242,077	—	—	—	125,242,077
Conservation easements	2,667,250	—	—	—	2,667,250
Other conservation	57,959	4,337	—	4,337	62,296
	\$ 226,648,566	35,534,996	8,320,691	43,855,687	270,504,253

DUCKS UNLIMITED, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2022 and 2021

Functional expenses for the period ended June 30, 2021 were the following:

	<u>Program</u>	<u>Supporting service</u>		<u>Total supporting service expenses</u>	<u>Total expenses June 30, 2021</u>
	<u>Conservation and education</u>	<u>Fundraising</u>	<u>Administration</u>		
Employee compensation and benefits	\$ 46,055,132	17,256,872	4,998,807	22,255,679	68,310,811
Public and donor relations	352,567	1,643,654	23,009	1,666,663	2,019,230
Contract services and professional fees	2,674,043	1,831,499	802,092	2,633,591	5,307,634
Information technology	2,384,085	1,618,817	174,702	1,793,519	4,177,604
Travel and meetings	383,848	1,041,158	182,977	1,224,135	1,607,983
Interest	168,975	—	—	—	168,975
Equipment, supplies, repairs and depreciation	3,170,046	296,244	615,002	911,246	4,081,292
Office, occupancy and other expenses	2,742,208	697,352	384,561	1,081,913	3,824,121
Insurance	543,507	252,453	151,828	404,281	947,788
Membership enrollment premiums	—	4,435,400	—	4,435,400	4,435,400
Postage and shipping	2,236,581	2,103,842	13,850	2,117,692	4,354,273
Printing and publication	2,452,582	1,236,771	40,618	1,277,389	3,729,971
Donated public service announcements	8,917,227	—	—	—	8,917,227
Waterfowl conservation:					
Ducks Unlimited Canada	13,206,312	—	—	—	13,206,312
Ducks Unlimited de Mexico	1,074,470	—	—	—	1,074,470
Habitat development	103,199,787	—	—	—	103,199,787
Conservation easements	104,342,054	—	—	—	104,342,054
Other conservation	719,413	5,211	—	5,211	724,624
	<u>\$ 294,622,837</u>	<u>32,419,273</u>	<u>7,387,446</u>	<u>39,806,719</u>	<u>334,429,556</u>

(15) Allocation of Joint Costs

DU conducted events that included conservation education and appeals for contributions that incurred joint costs of \$23,059,224 and \$20,577,975 for the years ended June 30, 2022 and 2021, respectively, which were allocated as follows:

	<u>2022</u>	<u>2021</u>
Fund-raising	\$ 12,682,573	11,317,886
Conservation education	10,376,651	9,260,089
	<u>\$ 23,059,224</u>	<u>20,577,975</u>

DUCKS UNLIMITED, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2022 and 2021

(16) Net Assets

The components of net assets were as follows at June 30:

	<u>2022</u>	<u>2021</u>
Net assets:		
Without donor restrictions:		
Board designated for revolving land	\$ 48,340,434	49,392,102
Board designated quasi endowment	28,951,920	32,847,153
Accumulated surplus	<u>29,313,237</u>	<u>25,527,353</u>
Total net assets without donor restrictions	<u>106,605,591</u>	<u>107,766,608</u>
With donor restrictions:		
Purpose restricted	68,595,832	55,672,765
Time restricted	94,861,122	31,634,498
Donor restricted endowments	<u>55,689,359</u>	<u>61,599,636</u>
Total net assets with donor restrictions	<u>219,146,313</u>	<u>148,906,899</u>
Total net assets	<u>\$ 325,751,904</u>	<u>256,673,507</u>

(17) Endowment Funds

DU's donor restricted endowment consists of numerous individual donor gifts, which are grouped into funds based on the donor restriction and does not include any funds designated by the Board of Directors to function as endowments.

Based on the interpretation of UPMIFA by the Board of Directors of DU, and absent explicit donor stipulations to the contrary, DU classifies the original value of gifts donated to the donor restricted endowment, as well as accumulations to the permanent endowment made at the direction of the donor, as net assets with restrictions. The remaining portion of donor restricted endowment fund net earnings are also classified as net assets with donor restrictions until those amounts are appropriated for expenditure by DU's Board of Directors in a manner consistent with the standard of prudence prescribed by UPMIFA.

DU 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 the purchasing power of the endowment assets. DU's current policy is to appropriate for distribution each year up to 4.5% of its endowment funds' trailing three-year average fair value as of the calendar year end preceding the fiscal year in which the distribution is planned. Accordingly, endowment assets are invested in a manner that is intended to produce long-term growth sufficient to fund current targeted spending appropriation levels and to maintain the purchasing power of the endowment while assuming a moderate level of investment risk.

DUCKS UNLIMITED, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2022 and 2021

To satisfy its long-term rate-of-return objectives for endowments, DU relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). DU targets a diversified asset allocation that places emphasis on investments in equities (approximately 75% weighting) and bond strategies (approximately 25% weighting) to achieve its long-term return objectives within prudent risk constraints.

From time to time, the fair value of assets associated with an individual donor restricted endowment fund may fall below the fund's original value. Deficiencies of this nature are reported in net assets with donor restrictions. These deficiencies historically have resulted principally from unfavorable market fluctuations. Subsequent gains that restore the fair value of the assets of the endowment fund to the required level are classified as an increase in net assets with donor restrictions. There were no endowment funds with deficiencies as of June 30, 2022 or 2021.

Endowment net assets and changes therein as of and for the years ended June 30, 2022 and 2021 are as follows:

	Endowment contributions	Unappropriated investment earnings	Total
Endowment net assets, June 30, 2020	\$ 35,771,190	10,432,241	46,203,431
Investment return:			
Interest and dividends	—	1,128,737	1,128,737
Net appreciation	—	12,620,139	12,620,139
Contributions	3,689,051	—	3,689,051
Appropriation for expenditure	—	(2,041,722)	(2,041,722)
Endowment net assets, June 30, 2021	39,460,241	22,139,395	61,599,636
Investment return:			
Interest and dividends	—	1,495,800	1,495,800
Net appreciation	—	(8,295,899)	(8,295,899)
Contributions	1,558,984	—	1,558,984
Appropriation for expenditure	—	(669,162)	(669,162)
Endowment net assets, June 30, 2022	<u>\$ 41,019,225</u>	<u>14,670,134</u>	<u>55,689,359</u>

DUCKS UNLIMITED, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2022 and 2021

(18) Nonfinancial Support and Revenues:

Nonfinancial support and revenues for the years ended June 30, 2022 and 2021 included:

	<u>2022</u>	<u>2021</u>
Nonfinancial Support and Revenues:		
Donated conservation easements	\$ 2,667,250	104,342,054
Donated educational programming	<u>10,717,315</u>	<u>8,917,227</u>
	<u>\$ 13,384,565</u>	<u>113,259,281</u>

DU recognized donated conservation easements and donated educational programming as other nonfinancial support and revenues in the accompanying consolidated statements of activities. As described in notes 2(l) and 2(m), support without donor restrictions and expenses are recognized in equal amounts based upon the appraised value of the easement or estimated value of the media content.

SUPPLEMENTARY INFORMATION

DUCKS UNLIMITED, INC. AND AFFILIATES

Consolidating Balance Sheet Information

June 30, 2022

Assets	Consolidated	Eliminations	Ducks Unlimited, Inc.	Wetlands America Trust, Inc.	Ducks Unlimited Lands, LLC
Cash and cash equivalents	\$ 34,954,808	—	32,335,462	2,396,234	223,112
Restricted cash and investments	18,504,516	—	18,504,516	—	—
Receivables:					
Events receivable, net	497,329	—	497,329	—	—
Pledges receivable, net	94,861,122	—	94,861,122	—	—
Habitat conservation and other receivables	52,384,760	—	52,387,052	(2,292)	—
Affiliate	—	(69,249,689)	69,249,689	—	—
Total receivables	147,743,211	(69,249,689)	216,995,192	(2,292)	—
Event merchandise inventory	8,547,605	—	8,547,605	—	—
Investments	90,344,397	—	13,583,414	76,760,983	—
Land held for conservation purposes	91,544,492	—	—	86,654,650	4,889,842
Land, buildings, and equipment, net	12,293,352	—	12,293,352	—	—
Trade lands	9,611,500	—	—	9,611,500	—
Prepaid pension costs	3,576,511	—	3,576,511	—	—
Other assets	5,538,665	—	4,886,947	651,718	—
Total assets	\$ 422,659,057	(69,249,689)	310,722,999	176,072,793	5,112,954
Liabilities and Net Assets					
Accounts payable and accrued expenses	\$ 25,757,935	—	25,757,935	—	—
Compensation and related accruals	11,169,266	—	11,169,266	—	—
Deferred revenue	38,830,809	—	33,036,707	5,794,102	—
Deferred compensation accruals	1,146,829	—	1,146,829	—	—
Accrued postretirement benefits	1,428,076	—	1,428,076	—	—
Revolving land line of credit	15,321,601	—	—	15,321,601	—
Notes payable	2,133,082	—	484,438	1,648,644	—
Other liabilities	1,119,555	—	1,119,555	—	—
Due to affiliate	—	(69,249,689)	—	68,880,077	369,612
Total liabilities	96,907,153	(69,249,689)	74,142,806	91,644,424	369,612
Net assets:					
Without donor restrictions	106,605,591	—	44,307,658	62,304,591	(6,658)
With donor restrictions	219,146,313	—	192,272,535	22,123,778	4,750,000
Total net assets	325,751,904	—	236,580,193	84,428,369	4,743,342
Total liabilities and net assets	\$ 422,659,057	(69,249,689)	310,722,999	176,072,793	5,112,954

See accompanying independent auditors' report on supplementary information.

DUCKS UNLIMITED, INC. AND AFFILIATES

Consolidating Schedule of Support and Revenues Without Donor Restrictions and Expenses

Year ended June 30, 2022

	<u>Consolidated</u>	<u>Eliminations and reclassifications</u>	<u>Ducks Unlimited, Inc.</u>	<u>Wetlands America Trust</u>	<u>Ducks Unlimited Lands, LLC</u>
Operational revenue:					
Philanthropic sources:					
Net proceeds from committee events	\$ 54,116,725	—	54,116,725	—	—
Direct response	13,442,952	—	13,442,952	—	—
Major gifts use	49,623,841	—	49,623,841	—	—
Planned gift maturities	842,601	—	842,601	—	—
Licensing and sponsorships	2,426,470	—	2,426,470	—	—
Total philanthropic revenue	120,452,589	—	120,452,589	—	—
Other operational support and revenue:					
Governmental reimbursements	114,704,659	—	114,704,659	—	—
Non-governmental partnerships	20,893,607	—	20,893,607	—	—
Donated conservation easements	2,667,250	—	—	2,667,250	—
Advertising revenue	2,776,272	—	2,776,272	—	—
Donated educational programming	10,717,315	—	10,717,315	—	—
Services contributed by affiliate	—	(731,167)	—	731,167	—
Spend from endowment	1,774,929	—	1,774,929	—	—
Other revenues	2,693,120	—	2,693,120	—	—
Total operational support and revenue	276,679,741	(731,167)	274,012,491	3,398,417	—
Operational expense:					
Program service expenses:					
Wetlands and waterfowl conservation:					
U.S. habitat delivery	165,501,836	(71,543)	165,501,836	71,543	—
Conservation easements	2,667,250	—	—	2,667,250	—
Government relations	3,966,261	—	3,966,261	—	—
Ducks Unlimited Canada	15,767,941	—	15,767,941	—	—
Ducks Unlimited de Mexico	1,410,020	—	1,410,020	—	—
Conservation education:					
Magazine and publication	4,792,044	—	4,792,044	—	—
Communications and conferences	7,219,210	—	7,219,210	—	—
Donated educational programming	10,717,315	—	10,717,315	—	—
Education delivery	10,376,651	—	10,376,651	—	—
Membership services	3,712,463	—	3,712,463	—	—
Total program service expenses	226,130,991	(71,543)	223,463,741	2,738,793	—
Fund-raising:					
Field operations	12,682,573	—	12,682,573	—	—
Direct response	10,264,650	—	10,264,650	—	—
Major gift development and advertising	12,384,148	—	12,384,148	—	—
Total fundraising expense	35,331,371	—	35,331,371	—	—
Administration	8,045,119	—	7,802,668	240,776	1,675
Services received from affiliate	—	(731,167)	—	731,167	—
Total operational expense	269,507,481	(802,710)	266,597,780	3,710,736	1,675
Operational surplus (losses)	7,172,260	71,543	7,414,711	(312,319)	(1,675)
Nonoperational:					
Revolving land contributions	4,000	—	—	4,000	—
Net losses on land sales	(1,055,668)	—	—	(1,055,668)	—
Other quasi-endowment contributions	(4,499,854)	—	(4,499,854)	—	—
Unappropriated quasi-endowment losses	(3,895,233)	(71,543)	(2,590,532)	(1,233,158)	—
Net periodic benefit cost other than service cost	(996,772)	—	(996,772)	—	—
Nonoperating loss	(10,443,527)	(71,543)	(8,087,158)	(2,284,826)	—
Deficit of support and revenues without donor restrictions over expenses	\$ (3,271,267)	—	(672,447)	(2,597,145)	(1,675)

See accompanying independent auditors' report on supplementary information.

WETLANDS AMERICA TRUST, INC.

Schedule of Donated Conservation Easements

as of June 30, 2022

Property	Acres protected	Location	Estimated value at time of gift
Current year:			
Golden Eagle Hunt Club LLC (Jeff & Celia Homsher)	129	Missouri	\$ 590,000
Vick & Smith (Thomas Vick & Brian Smith)	98	Nebraska	58,250
Steamboat Island Farm (Michael Phelan)	307	Missouri	1,745,000
Lynchs Black River (William & Michelle Lynch)	372	South Carolina	214,000
JRJ Farms, Inc. (Jerry McDowell)	121	South Carolina	60,000
	<hr/>		
	1,027		<hr/> \$ 2,667,250 <hr/>
Prior years:			
Deluca (Elisabeth Deluca/FD Destiny Credit)	26,946	Florida	\$ 83,550,000
Conklin (Chad & Pam Conklin)	40	Nebraska	32,300
Conklin Family Farm (Pam Conklin)	171	Nebraska	110,200
Kurth-Ledgeview (John Kurth/Schleys Ledgeview Acres)	151	Wisconsin	146,250
Chicora Wood Plantation (Harry Oxner)	485	South Carolina	756,504
Double K Ranch (Jeffrey Riggs)	859	Colorado	3,092,700
Bear Bayou Addendum (Walter Edge)	338	Arkansas	565,000
Quack Enterprises (Joe Janoush)	541	Mississippi	1,824,100
Delta Plantation (John E Cay)	500	South Carolina	14,265,000
Holly Bend Limited Partnership	126	Mississippi	105,000
Lori Durand	99	New York	11,000
Durand's East Edge Ranch	89	New York	14,000
Arcadia Plantation	374	South Carolina	5,512,000
Flyway Club	209	Missouri	1,225,000
Nagasaki Gun Club	247	Mississippi	500,000
The Honey Hole	85	Mississippi	2,076,000
BelAir	113	South Carolina	1,060,500
Special K Membership Company	1,690	Mississippi	3,350,000
Robinson Crusoe	1,233	Tennessee/Mississippi	6,800,000
Myrtle Grove-Marvin Tracts B & C	358	South Carolina	491,814
Sonnenberg	164	Nebraska	194,500
Sandy Bayou Farm	400	Mississippi	930,000
Shane Roth	298	Nebraska	132,775
Nemours-Greenpoint	1,856	South Carolina	2,172,750
Glover Plantation	2,027	South Carolina	1,630,672
Harmony Farm	500	Nebraska	928,000
Warhawk Land Company	527	Mississippi	1,230,000
True Luck	289	Missouri	1,360,000
True Luck 2	326	Missouri	1,550,000
Diamond Land Membership Company	2,108	Louisiana	4,500,000
Grayson	1,200	Texas	4,800,000
Myrtle Grove Plantation	1,715	South Carolina	2,385,732
Patriots Plantation	1,868	South Carolina	1,666,550
Reinhardt	71	Nebraska	9,000
Kastner Family Property	1,126	Mississippi	2,250,000
Summers II	292	Nebraska	445,000
Marianna Farms	1,919	Mississippi	2,400,000
Nemours-Neuport Tract	1,178	South Carolina	948,884
Paradox Wildlife	1,430	Mississippi	861,900
Rivers Run, Amendment	172	Mississippi	810,000
Sanders Farm	418	South Carolina	297,978
Thorn tree Swamp	483	South Carolina	460,000
Summers	702	Nebraska	760,000
Grandview II, LLC	48	Nebraska	20,000
Coca Cola Woods	1,042	Arkansas	4,850,000
Twin Rivers Farm, LLE	425	Missouri	1,979,200
366/Brasher	366	Arkansas	1,165,000
Severin Slough	245	Nebraska	186,000

WETLANDS AMERICA TRUST, INC.

Schedule of Donated Conservation Easements

as of June 30, 2022

Property	Acres protected	Location	Estimated value at time of gift
Moore Ranch Amendment 2	35	Texas	33,720
Woods of Bayou Deview (Joel Kaye)	603	Arkansas	478,400
Woods of Bayou Deview (Barry Properties LLC)	603	Arkansas	478,400
Double Dog Ranch	530	Nebraska	124,500
Wauford	72	Ohio	21,400
Cartensen	72	Ohio	36,400
Triple K Ranch	92	Nebraska	11,000
Wilson Farm	128	Colorado	2,300,000
Smith Doering	269	Nebraska	129,500
Smith Doering	269	Nebraska	129,500
Black River Preserve	1,472	South Carolina	701,320
Duck Factory, LLC	55	Nebraska	40,000
Foster	222	New York	67,350
Kosman Investments, LLC	460	Nebraska	555,000
Pheasant Land	242	Nebraska	207,000
Ranbay	862	Arkansas	800,000
The Bend	303	Missouri	1,164,000
Over and Under	397	Missouri	1,612,300
Rhodes Kinsey	1,042	South Carolina	1,191,680
Mallard Pointe	1,383	Arkansas	1,522,000
Chenoa Farm	478	Mississippi	1,077,000
Free State Plantation	933	Mississippi	533,000
North Conservation Farm	85	Washington	671,336
Willow Edge	133	Mississippi	139,500
Falling Run	84	North Carolina	250,000
Pringle Tract	478	South Carolina	450,000
Presidents Duck Club	83	Missouri	410,000
Golden Eagle Wildlife Preserve, Inc.	127	Illinois	390,000
Bulow Retreat	123	South Carolina	426,000
Lessard	36	Washington	1,000
Springer Meadows	121	Wyoming	12,320
Greentree Hunting Club	628	Arkansas	1,760,000
Mallard Farms	946	Arkansas	624,072
Eagle'sNest GC	198	Colorado	120,000
Tealbrook Farms Ag	189	California	10,000
Rosenau	317	Washington	18,000
O'Brien	95	Nebraska	74,700
River Edge Farm	965	Arkansas	1,588,550
Raney West	572	Mississippi	472,000
Savannah Oaks	700	Texas	100,000
Barnhill Farm	626	North Carolina	2,219,000
Ring Slough	442	Arkansas	868,000
Cronin Tract	75	Missouri	58,820
Seven Oaks Farm	56	Missouri	100,105
Herrod	889	Nebraska	115,000
Waccamaw River Tract	2,255	North Carolina	1,090,000
Baldwin	700	Missouri	3,263,000
The Limit Club	62	Missouri	250,190
Cypress Creek Preserve	919	Mississippi	1,425,000
Monument	541	Arkansas	2,488,900
Davis Island	6,090	Mississippi	8,500,000
Free State Plantation	933	Mississippi	533,000
Bayou DeView Farm and Hunt Club	241	Arkansas	500,000
Longfield Plantation	610	South Carolina	945,500
Pigweed Plantation	164	South Carolina	410,000
The Swamp	329	South Carolina	310,000
North Island	5	Michigan	162,000
Schafer	413	Nebraska	380,000
Birdlands	2,135	Mississippi	2,621,000

WETLANDS AMERICA TRUST, INC.

Schedule of Donated Conservation Easements

as of June 30, 2022

Property	Acres protected	Location	Estimated value at time of gift
Klotz Tract	427	Arkansas	521,875
Rothermich	19	Missouri	31,130
Westchester Plantation	455	Virginia	891,000
Schlenke	19	Missouri	32,645
DT Ranch II	1,189	Colorado	300,000
Kleager	427	Nebraska	490,000
Anderson	21	Missouri	32,305
Poor Boy	29	Missouri	56,002
Green Wing Farms	59	Missouri	184,000
Backwater Farms	32	Missouri	230,000
The Ford Tract	476	South Carolina	414,000
Dyer Moore	30	Texas	29,000
Rural Hall Plantation	178	South Carolina	536,000
Salt Marsh Plantation	206	South Carolina	495,000
Naples Plantation	721	Louisiana	406,000
Raccoon Ranch	1,200	Missouri	5,084,100
Decoy Inn, LLC	96	Missouri	246,000
Barnett/Stimpson	310	Tennessee	237,900
Quantico Creek	69	Virginia	920,000
Lawton-Boggy Tract	295	South Carolina	516,000
River House Plantation	427	South Carolina	811,000
The Bullet Hole	79	Arkansas	150,000
Pintail Farms	331	Missouri	774,000
Orchard Farm Hunting Club	171	Missouri	746,000
Carlson-Cunz	180	Minnesota	180,000
Kittle Property	445	Mississippi	634,000
Whistling Wings	784	Missouri	5,024,300
Peeples Place	443	South Carolina	540,460
Bird Point Farm	86	South Carolina	590,000
Hermitage Plantation	1,087	South Carolina	2,049,970
Anderson Property	364	Nebraska	546,500
Kauller-Kaith Tract	183	Minnesota	73,000
Como Tract	362	Mississippi	438,500
Middleton Place LLC	5,800	South Carolina	8,105,001
Crab Orchard Plantation	2,819	South Carolina	4,900,000
Main Pass LLC	13,952	Louisiana and Mississippi	14,728,500
Main Pass LLC	10,291	Louisiana	10,481,000
LLOG Exploration Company LLC	3,446	Mississippi	3,830,500
LLOG Exploration Offshore, Inc.	194	Mississippi	356,500
Thomas S. Lenort	39	Minnesota	196,808
Buyck's Bluff	722	South Carolina	5,152,600
Indian Properties (Haskell & Huchi Plantation)	110	South Carolina	212,000
Mingo Plantation IV	257	South Carolina	492,000
Toheda	247	Louisiana	404,700
Pintail Alley	1,600	Louisiana	480,000
Rowan Tract	717	Mississippi	1,056,934
Chris von Gontard Property	199	Texas	253,984
River Valley Ranch I	585	Colorado	1,826,200
Prairie Ridge Partners LLC	869	Nebraska	561,000
Alligator Bayou Properties LLC	819	Louisiana	748,000
The Baradhi Farm	157	Texas	60,000
Waterfowl Habitat, LLC	85	Maryland	170,000
Drake Land Farms, LLC	866	Colorado	200,000
Bayou Haha	385	Louisiana	167,000
Diamond Lake and Land Co, LLC	1,295	Louisiana and Mississippi	2,401,660
Carey Boone Trace	1,257	Louisiana	588,000
Mount Pleasant Plantation	3,685	South Carolina	10,600,000
Tanglewood 2nd amendment	25	South Carolina	50,000
Wing Tips Plantation	1,009	South Carolina	1,134,000

WETLANDS AMERICA TRUST, INC.

Schedule of Donated Conservation Easements

as of June 30, 2022

Property	Acres protected	Location	Estimated value at time of gift
Bayou Meto Farm's LLC	240	Arkansas	790,000
Bear Bayou, LLC	640	Arkansas	2,300,000
Davies/Shepard	128	Arkansas	217,000
The Brake	479	Arkansas	559,000
White Lake Waterfowl, LLC	225	Tennessee	495,000
Golden Eagle Ranch II	2,074	Colorado	520,000
The Pineland – First Amendment	222	South Carolina	440,000
Hunter's Paradise	70	Kentucky	420,500
Cedar Lane Farm, LLC	422	Mississippi	1,264,800
Cedar Lane Farm, LLC	405	Tennessee	1,215,200
Delta Duck & Game Club	450	Mississippi	222,948
Neal Hansen	1,448	Nebraska	1,014,000
Mingo Hunt Club III	488	South Carolina	712,800
Pigweed Plantation	869	South Carolina	1,443,000
Lusero Ranch	205	Colorado	337,500
Donahue Company, Inc.	371	Arkansas	500,000
Lester Ranch	476	Colorado	735,000
Cache Slough Timber Farms	274	Arkansas	681,000
Kaye Farms, LLC	675	Arkansas	902,344
Crenshaw Property	1,011	Mississippi	1,064,650
Pine, LLC	150	Missouri	216,000
Tanglewood First Amendment	34	South Carolina	81,000
Muddy Creek Farms	707	Tennessee	965,000
Barber Property	262	Texas	218,750
Batten-Boggy Tract	315	South Carolina	681,000
Young Farms (Todd Young)	116	Arkansas	211,760
Young Farms (Vern and Phyllis Young)	209	Arkansas	388,000
Highlands Plantation Hunting Club, LLC	1,300	Mississippi	1,581,000
Dardenne Realty Co.	559	Missouri	1,400,000
Big Cypress Duck Hole	552	Arkansas	805,000
Lake Hill Farm	225	New York	802,100
Arcadia Plantation	3,612	South Carolina	54,416,350
Cougar Bay First Amendment	79	South Carolina	160,000
Ivanhoe Plantation, Inc.	932	South Carolina	1,309,000
Holifield Farms	478	Arkansas	888,000
Pin Oak Club, LLC	720	Arkansas	1,090,000
Teal-Denmon Tract	460	Louisiana	138,000
Duty Ferry Farms, Inc.	1,384	Louisiana	689,000
The Teal Partnership	1,392	Louisiana	693,000
Horseshoe Hill, LP	216	Mississippi	312,000
Decoy Lakes First Amendment	131	North Carolina	432,500
Millbrook, LLC	1,176	South Carolina	4,258,800
Millbrook Hanahan (Grayson Hanahan)	137	South Carolina	320,400
Millbrook Hanahan (Grayson Hanahan)	539	South Carolina	794,221
Millbrook Hanahan (Roger Hanahan)	697	South Carolina	1,027,179
Esperanze Plantation	1,192	Louisiana	972,000
Robinson Tract	190	Louisiana	638,000
Minasian Ranch	660	California	1,145,000
Roseland Plantation, LLC	3,412	Louisiana	2,772,126
Point Pleasant, LLC	1,180	Louisiana	960,872
Gumwood, LLC	660	Arkansas	198,000
Como Tract Amendment	400	Mississippi	409,000
Martin-Rimini Tract	148	South Carolina	260,000
Batten Black Swamp	2,031	South Carolina	3,818,000
Beaver Dam Tract First Amendment	26	South Carolina	181,000
Blackfish Farms, LLC	1,400	Arkansas	1,125,000
Cocoa Slough, LLC	842	Arkansas	725,000
Belleau Farm	1,550	Missouri	13,521,500
West Creek	99	Virginia	14,369,500

WETLANDS AMERICA TRUST, INC.

Schedule of Donated Conservation Easements

as of June 30, 2022

Property	Acres protected	Location	Estimated value at time of gift
York Woods Amendment	1,204	Mississippi	1,265,000
Higel II Amendment	555	Colorado	518,925
Crowther	420	Colorado	491,500
Willis Wharf	125	Virginia	836,000
Twin Bayous	52	Arkansas	106,000
Deadwood Duck Club	160	Arkansas	400,000
Behring Ranch	810	California	975,000
Cross/Sheehy Ranch	316	Colorado	555,000
Little Bijou Ranch	440	Colorado	253,000
Davey Land	320	Colorado	131,200
Flink Property	52	Minnesota	65,200
Irby Woods	497	Mississippi	1,556,000
Old Rivers	295	Mississippi	286,450
Batten-Carswell	291	South Carolina	560,000
The Oaks Plantation	112	South Carolina	186,000
Uxbridge Plantation	232	South Carolina	1,999,000
Burke Farm	1,360	Texas	560,000
East Bernard	247	Texas	170,000
Matagorda	384	Texas	170,000
Barber-Long Beaverdam Creek	144	Texas	86,400
The Big Woods on the Trinity	2,363	Texas	1,198,000
Dover Plantation	821	South Carolina	30,800,000
Tanglewood	82	South Carolina	212,000
McNeil III	1,080	Colorado	1,475,000
Monterey Delta Plantation	127	Louisiana	4,205,000
Mary's Island	970	South Carolina	207,800
Cheeha-Combahee	12,524	South Carolina	2,742,200
Godfrey Tract	155	South Carolina	32,500
McMillian	20	South Carolina	20,000
Medway	7,225	South Carolina	4,435,500
Ashepoo-Fenwick	9,423	South Carolina	2,592,700
Hasty Point Plantation	762	South Carolina	443,900
Kinloch Plantation	5,801	South Carolina	2,685,000
Hartwell Farms	591	Georgia	438,400
Oak Grove Plantation	995	South Carolina	524,000
Salt Marsh Plantation	349	South Carolina	460,000
Musselboro Island	962	South Carolina	1,325,600
Clermont Plantation	435	South Carolina	477,500
Commander Island	385	South Carolina	259,800
Weymouth	187	South Carolina	480,000
Dunavant	12,160	Montana	3,610,000
Kennedy-Trailsend Ranch	3,142	Montana	3,710,000
Nightingale Hall Plantation	617	South Carolina	406,481
Quail Hollow	1,850	Mississippi	1,360,000
Buford's Brake	732	Mississippi	630,000
Becks Bay	6,626	Mississippi	5,080,000
Bolder's Island	1,649	South Carolina	365,400
Easterly/Penn	2,175	Mississippi	545,000
Hartwell Farms II	58	Georgia	52,800
Hicks Farm	130	Georgia	106,100
Indian Hut Tree Farm	1,642	South Carolina	656,700
Raccoon Island	1,743	South Carolina	377,500
Roanoke Plantation	200	Alabama	216,000
Rosebank Plantation	260	South Carolina	410,000
Rural Hall	176	South Carolina	330,000
South Fenwick Island	322	South Carolina	303,000
Dead Buffalo Ranch	3,573	North Dakota	270,000
Crow Hill Plantation	274	South Carolina	365,600
Huspah Plantation	319	South Carolina	1,650,000

WETLANDS AMERICA TRUST, INC.

Schedule of Donated Conservation Easements

as of June 30, 2022

Property	Acres protected	Location	Estimated value at time of gift
Lonely Hearts Hunt Club	133	South Carolina	160,000
Oak Forest Plantation	286	South Carolina	4,818,000
Springfield Plantation	250	South Carolina	263,100
Beaver Dam Tract	84	South Carolina	113,000
South Fenwick Island Amendment	6	South Carolina	5,800
Claypool Reservoir	1,355	Arkansas	1,082,500
Pon-Pon	3,249	South Carolina	-
Delhomme Reserve	2,253	Texas	-
Hill River Tract	424	South Carolina	827,200
Augusta Plantation	942	South Carolina	250,000
Ben Knott Tract	371	South Carolina	165,000
Pitts Tracts A-F	9,101	Louisiana	3,255,000
Pitts Hurricane Lake Tract	1,214	Louisiana	687,200
Exchange Plantation	690	South Carolina	930,000
Kennedy-Trailsend Amend 1-3	474	Montana	228,000
Prescott Plantation	317	South Carolina	123,100
North Pasture	380	South Carolina	313,500
Ward Lake	3,250	Mississippi	2,725,000
Old Dominion Plantation	718	South Carolina	870,000
Chicahominy	281	Virginia	563,000
Pinchback Plantation	1,890	Mississippi	330,000
Pintail Club	95	Washington	1,330,000
Maurene Plantation	2,653	South Carolina	1,895,000
Terry Pasture	500	South Carolina	1,032,000
Rose Hill Plantation	1,200	South Carolina	840,000
Wando Farms	558	South Carolina	2,150,000
Bear Island	151	South Carolina	39,200,000
Beaver Creek Crossing	821	Mississippi	1,110,000
Becks Bay Amendment	640	Mississippi	365,000
Bobo Brake	751	Mississippi	600,000
Walters Farm	551	Colorado	340,100
Rio Ranch	360	Colorado	415,000
Two Rivers	2,585	Arkansas	1,660,000
Big Black Farms	434	Mississippi	390,600
Kitterlin Creek	2,974	Louisiana	1,695,000
O'Connor	102	Virginia	491,500
Redfish Point	73	Texas	44,000
Duck Lake	2,922	Mississippi	2,530,000
Lamps Woodard	354	North Carolina	218,000
Caduceus Farms	1,802	Louisiana	586,000
713 Club, LLC	1,272	Arkansas	1,815,000
Lea Farm	25	Oregon	25,800
Leshar Farm	29	Oregon	27,000
Ward Lake Amendment	1,177	Mississippi	625,000
River Property	89	Colorado	68,800
Beaver Creek Crossing Amendment	175	Mississippi	332,500
Corzine Ranch	2,488	Colorado	520,000
Generostee Creek	477	South Carolina	1,610,000
Caeli Farms, LLC	406	Virginia	1,555,000
Bear Island Hunt Club	505	South Carolina	350,000
Cheeha-Combahee Amendment	20	South Carolina	58,400
Wheeler Island 40	1,658	Arkansas	1,470,000
Dacus Lake Partners	1,953	Arkansas/TN	815,000
Danikow Tract	623	Tennessee	410,000
Mill Creek Property	950	South Carolina	3,206,500
Oaks Plantation	208	South Carolina	481,250
Muddy Waters LLC	3,159	Mississippi	3,350,000
Nightingale Hall Amendment	105	South Carolina	189,540
Tara Wildlife	4,688	Mississippi	4,200,000

WETLANDS AMERICA TRUST, INC.
Schedule of Donated Conservation Easements
as of June 30, 2022

Property	Acres protected	Location	Estimated value at time of gift
Montana	1,234	California	172,000
David Young	142	Mississippi	238,050
Ellis Lake	1,813	Mississippi	1,167,400
Willtown Crossing Farms	220	South Carolina	300,000
Chaplin Farms	700	South Carolina	328,000
Dyer Moore	97	Texas	69,355
Stringfield Nursery	22	South Carolina	136,000
Kennedy B.C. – Tuplagum	2,653	Mississippi	1,500,000
Kennedy – York Woods	3,832	Mississippi	3,095,000
Kennedy-Trailsend 5th Amendment	544	Montana	779,000
Duncan Hunt Club	49	North Carolina	98,600
Black Oak Farm	310	Arkansas	260,000
Weymouth Plantation Amendment	212	South Carolina	432,000
Rainey Acres	240	South Carolina	254,400
Sewee Plantation	374	South Carolina	5,877,700
Kensington Plantation	344	South Carolina	2,590,000
David Martin	310	Mississippi	145,000
Clifton Farms	1,755	Mississippi	1,310,000
Mallard Creek Farms	250	North Carolina	209,000
Everett-Driver	140	Mississippi	65,000
Mudlake	2,145	Arkansas	2,135,000
Section 13 Farms	735	Arkansas	836,000
Dunavant – Lewiston	475	Montana	343,000
Deer Yard Farms	750	Illinois	1,558,500
Wildwood Acres	167	South Carolina	234,000
Dawhoo Plantation	716	South Carolina	1,971,200
Texas Plantation	785	North Carolina	1,232,500
Ritter-Black River	334	South Carolina	293,700
Malphrus Tract	929	South Carolina	1,162,500
Braxton Farms	212	Virginia	817,000
Harrison Ranch	884	Mississippi	400,000
McNeil Ranch	520	Colorado	624,000
Decoy Lakes	331	North Carolina	720,000
Meadow Ranch	5,440	Colorado	723,520
Dixie Farms	2,100	Mississippi	787,000
Circle T	1,507	Arkansas	3,680,000
Nagasaki Gun Club	137	Mississippi	231,000
Getz Ranch	320	Colorado	240,000
Lester Ranch	783	Colorado	501,200
TPC Farm	1,213	Mississippi	1,905,000
Buzzard Corner	375	North Carolina	1,771,000
Pamlico Farms I	619	North Carolina	1,612,000
Willow Bend Plantation	670	South Carolina	4,306,000
Rice Hope Plantation	237	South Carolina	1,108,525
Marais Temp Clair Duck Club	635	Missouri	1,561,500
Ware Creek Preserve	1,039	Virginia	18,111,000
Texas Plantation II	668	North Carolina	1,224,000
Tibshrany Farm	311	South Carolina	257,500
Annandale Plantation	3,458	South Carolina	5,400,000
Gilmore Property	138	Arkansas	120,987
Heth Property	480	Arkansas	240,747
Cache River Property	240	Arkansas	162,000
Golden Eagle Ranch	1,107	Colorado	1,045,000
Moreland Club	293	South Carolina	275,000
Mark Wheeler	65	Washington	190,000
Winea Plantation	348	South Carolina	900,000
Feliciana Land Co.	1,400	Mississippi	1,583,000
MacLean Tract	24	South Carolina	61,250
Bulow Land I	49	South Carolina	1,205,000

WETLANDS AMERICA TRUST, INC.

Schedule of Donated Conservation Easements

as of June 30, 2022

Property	Acres protected	Location	Estimated value at time of gift
Bulow Land II	305	South Carolina	981,750
Blackfish Island	380	Arkansas	547,400
Mud Lake Bottoms	138	Arkansas	193,200
Running Bayou	1,036	Mississippi	837,200
Kase	101	New York	61,000
John Lindquist Property	170	Minnesota	548,520
Young Property	240	Mississippi	293,836
Willows Bend Amendment	604	South Carolina	5,846,600
DT Ranch	808	Colorado	610,000
Lohr Property	52	Missouri	109,000
Bobo Brake Amendment	548	Mississippi	490,000
Verser Farms	359	Arkansas	262,500
Pamilco Farms II	446	North Carolina	3,477,000
Seminole Plantation	350	South Carolina	618,500
Black Swamp Plantation	538	South Carolina	840,000
Cook's Mountain	1,200	South Carolina	5,496,000
Wurster Tract	490	Louisiana	220,500
Timmerman Property	320	Missouri	742,950
Old Rivers Farm	581	Mississippi	455,100
Cougar Bay/Notyacht	521	South Carolina	900,000
Getz Ranch Amendment	640	Colorado	452,500
Blue House Plantation	382	South Carolina	2,780,000
Bulow Plantation III	178	South Carolina	4,044,000
Springsteen Plantation	818	South Carolina	1,514,000
Ward Lake – McGehee	275	Mississippi	137,500
Windfall Point	105	South Carolina	827,100
Pig Pen/Windsor Plantation	169	South Carolina	310,050
Poplar Grove	3,100	South Carolina	11,750,000
Mingo Plantation	593	South Carolina	534,000
Haralson Tract	669	Arkansas	1,116,600
Holified Farms	320	Arkansas	525,000
Bivens Bayou	648	Arkansas	907,200
McNeil II & III	230	Colorado	242,000
Jensen	159	Minnesota	208,463
Lester II	825	Colorado	536,250
Alligator Bayou	560	Arkansas	784,000
Higel Ranch	298	Colorado	238,400
Walters/Chadwell	304	Colorado	297,200
Spring Hope	348	South Carolina	450,000
Mingo Plantation II	398	South Carolina	450,000
The Bridge Farm	80	Colorado	97,000
Potato Hill	1,336	Mississippi	564,400
The Pineland	577	South Carolina	490,000
Birdeye Farm	180	Arkansas	218,000
Togo Farm	809	Arkansas	626,042
Mulberry Plantation, Inc.	3,174	South Carolina	3,018,697
Arundel Plantation Properties, LLC	1,138	South Carolina	4,220,000
Benelli LLC	234	Missouri	310,000
The Fall River Resource Conservation District	4,491	California	1,960,000
Nemours Plantation Wildlife Foundation	1,336	South Carolina	1,400,154
Nemours Plantation Wildlife Foundation	1,143	South Carolina	979,047
James Todd Watkins and Margaret Kirkland Watkins	166	South Carolina	378,800
Elbow Slough, LLC	1,278	Arkansas	2,040,000
Diamond Point Land Company, LLC	934	Mississippi	2,241,000
Warhawk Land Company, LLC	757	Mississippi	1,818,000
Lusco and Lusco, LLC	876	Mississippi	2,102,000
Thomas J. Ward	25	Nebraska	17,500
B.G.B. Properties, LLC	200	Arkansas	176,000
Over & Under II, LLC	196	Missouri	790,000

WETLANDS AMERICA TRUST, INC.

Schedule of Donated Conservation Easements

as of June 30, 2022

<u>Property</u>	<u>Acres protected</u>	<u>Location</u>	<u>Estimated value at time of gift</u>
Heritage Farms of Carlisle County, LLC	1,276	Kentucky	4,712,000
B.G.B. Properties, LLC	120	Arkansas	118,000
Pon Pon Plantation, LLC	260	South Carolina	1,850,000
Le Chevalier, LLC	3,748	Louisiana	6,850,000
Marcello Da Pointe, LLC	556	Mississippi	1,224,000
Cane Island Club, LLC	375	South Carolina	18,800,000
Steamboat Island Farm (Phelan Trust)	307	Missouri	1,560,000
Bay Creek Farms, LLC	90	Michigan	89,000
Beaver Bay (Summit AG Fund II, LLP)	70	North Dakota	203,126
McArthur Swamp (Pacific Gas and Electric Co.)	3,168	California	1,080,000
Kilsock Bay, LLC (Harry Oxner)	957	South Carolina	2,331,697
Young Family Farm (Bill & Vivian Young)	168	Michigan	1,360,000
Brandt CE (Dowd, Brandt, Dowd)	135	Nebraska	67,500
Holzfaster Playas II 320 CE (Ralph & Gloria Holzfaster)	308	Nebraska	55,000
McWha CE (McWha Industries, Inc)	257	Nebraska	235,500
Thorn Tree Forest, LLC (Benjamin Harrison)	257	South Carolina	232,000
Luque Grande View Farms, LLC	317	Louisiana	910,000
Roseland II CE Amendment-Roseland Plantation, LLC	335	Louisiana	840,000
Covey Call, LLC (Scarborough Tract-Blake Amick)	242	South Carolina	48,000
Mallard Land & Cattle	80	Colorado	147,000
Pheasant Land Company, LLP (Pheasant Land Co II West)	131	Nebraska	43,776
Pheasant Land Company, LLP (Pheasant Land Co II East)	80	Nebraska	26,831
Don G. Wellons	122	North Carolina	610,000
RP Wellons CECO, LLC (Robert Wellons)	76	North Carolina	439,500
Deed restrictions:			
Springfield Marsh	696	South Carolina	74,000
Hanahan	33	South Carolina	-
Management agreements:			
Mary's Island	3,740	South Carolina	-
Cosumnes-Crane Ranch (Fitzgerald)	368	California	-
	<u>459,120</u>		<u>\$ 819,443,215</u>
	<u>460,147</u>		<u>\$ 822,110,465</u>

See accompanying independent auditors' report.