

Hood & Strong

Advisory, Tax  
and Assurance

# The Trust for Public Land

**June 30, 2024**

Independent Auditors' Report and  
Financial Statements

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# The Trust for Public Land

## Independent Auditors' Report and Financial Statements

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## Independent Auditors' Report

THE BOARD OF DIRECTORS  
THE TRUST FOR PUBLIC LAND  
San Francisco, California

### Opinion

We have audited the financial statements of **THE TRUST FOR PUBLIC LAND (TPL)**, which comprise the statement of financial position as of June 30, 2024, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of TPL as of June 30, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

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

### Responsibilities of Management for the Financial Statements

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

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

## **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the 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 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 financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of TPL'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 financial statements.
- conclude whether, in our judgment, there are conditions or events considered in the aggregate, that raise substantial doubt about TPL'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.

### **Report on Summarized Comparative Information**

We have previously audited TPL's June 30, 2023 consolidated financial statements, and we expressed an unmodified opinion on those audited consolidated financial statements in our report dated December 20, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Hood & Strong LLP*

San Francisco, California  
December 2, 2024

# The Trust for Public Land

## Statement of Financial Position (dollars in thousands)

<i>June 30, 2024 (with comparative totals for 2023)</i>	2024	2023
<b>Assets</b>		
Cash and cash equivalents	\$ 31,261	\$ 21,829
Investments	115,840	91,392
Government grants, contracts and escrow receivables, net of allowance of \$1,890 and \$3,156	28,375	21,316
Contributions receivable, net	26,510	15,653
Notes receivable	4,000	4,000
Deposits on land transactions	2,318	1,541
Land holdings	105,622	96,380
Charitable trust assets	71,278	60,457
Property, furniture and equipment, net	228	259
Operating lease assets	9,162	10,196
Other assets	1,944	1,327
<b>Total assets</b>	<b>\$ 396,538</b>	<b>\$ 324,350</b>
<b>Liabilities and Net Assets</b>		
<b>Liabilities:</b>		
Accounts payable and accrued expenses	\$ 26,461	\$ 19,376
Option payments received	200	300
Refundable advances	29,223	12,378
Mitigation advances	479	525
Notes payable	58,402	62,856
Operating lease liabilities	9,838	10,858
Liabilities to beneficiaries of charitable trusts	36,551	29,072
Liabilities to beneficiaries of charitable annuities	2,385	2,329
<b>Total liabilities</b>	<b>163,539</b>	<b>137,694</b>
<b>Net Assets:</b>		
Without donor restrictions	53,519	36,843
With donor restrictions:		
Time and purpose	148,796	121,077
Perpetual restrictions	30,684	28,736
<b>Total net assets with donor restrictions</b>	<b>179,480</b>	<b>149,813</b>
<b>Total net assets</b>	<b>232,999</b>	<b>186,656</b>
<b>Total liabilities and net assets</b>	<b>\$ 396,538</b>	<b>\$ 324,350</b>

See accompanying notes to the financial statements.

# The Trust for Public Land

## Statement of Activities and Changes in Net Assets (dollars in thousands)

	2024						2023 Total
	Without Donor Restrictions	With Donor Restrictions			Total	Total	
		Time and Purpose	Perpetual Restrictions	Total			
<b>Revenues and Additions to Net Assets:</b>							
Contributions of land and easements:							
Fair market value acquired	\$ 179,997			\$ -	\$ 179,997	\$ 357,004	
Less consideration paid	(168,426)			-	(168,426)	(302,664)	
Contributions of land and easement values received	11,571			-	11,571	54,340	
Contributions and grants - other:							
Contributions and grants	65,209	\$ 93,782	\$ 1,757	95,539	160,748	195,823	
Future interests in charitable trusts		3,676	190	3,866	3,866	1,665	
Total contributions and grants - other	65,209	97,458	1,947	99,405	164,614	197,488	
Total contributions and grants	76,780	97,458	1,947	99,405	176,185	251,828	
Project fees and other income	56,732			-	56,732	42,293	
Interest income	3,320	472	1	473	3,793	4,745	
Investment income, net	6,593	1,961		1,961	8,554	1,663	
Change in value of land holdings	(215)			-	(215)	1	
Allowance for uncollectible grants and restricted grants returned to donor		(627)		(627)	(627)	90	
Total revenues and additions	143,210	99,264	1,948	101,212	244,422	300,620	
Net assets released from restrictions	71,545	(71,545)		(71,545)	-	-	
Total revenues	214,755	27,719	1,948	29,667	244,422	300,620	
<b>Expenses and Reductions to Net Assets:</b>							
Program services:							
Contributions of land and easements to public agencies and other nonprofit organizations:							
Fair market value conveyed	170,534			-	170,534	318,874	
Less consideration received	(112,575)			-	(112,575)	(142,814)	
Contributions of land and easement values made	57,959			-	57,959	176,060	
Open space and park programs	101,305			-	101,305	80,862	
Total program services	159,264	-	-	-	159,264	256,922	
Support services:							
Development	18,699			-	18,699	16,890	
Management and support services	20,537			-	20,537	19,144	
Total support services	39,236	-	-	-	39,236	36,034	
Total expenses	198,500	-	-	-	198,500	292,956	
Change in Net Assets from Operations	16,255	27,719	1,948	29,667	45,922	7,664	
<b>Other Change in Net Assets:</b>							
Gain on sale of property and equipment	421			-	421	-	
Total other change in net assets	421	-	-	-	421	-	
Change in Net Assets	16,676	27,719	1,948	29,667	46,343	7,664	
Net Assets, beginning of year	36,843	121,077	28,736	149,813	186,656	178,992	
Net Assets, end of year	\$ 53,519	\$ 148,796	\$ 30,684	\$ 179,480	\$ 232,999	\$ 186,656	

See accompanying notes to the financial statements.

# The Trust for Public Land

## Statement of Functional Expenses (dollars in thousands)

Year Ended June 30, 2024 (with comparative totals for 2023)

	2024				2023 Total
	Program Services	Development	Management and Support Services	Total	
<b>Contributions of Land and Easement Values Made, net</b>	\$ 57,959			\$ 57,959	\$ 176,060
<b>Other Operating Expenses:</b>					
Salaries and benefits	27,412	\$ 13,053	\$ 12,052	52,517	48,519
Design and construction services	52,534	1		52,535	31,972
Grants and contributions	4,262	70	33	4,365	6,123
Other professional services	5,704	2,173	4,770	12,647	12,747
Rent and office	3,069	1,461	1,350	5,880	6,520
Other operating expenses	1,043	320	654	2,017	1,693
Travel and meetings	1,661	1,347	494	3,502	3,183
Interest	3,216			3,216	2,753
Furniture, fixtures and equipment	230	30	854	1,114	942
Appraisal services	1,554		37	1,591	1,075
Insurance	513	244	225	982	952
Legal services	107		68	175	417
<b>Total other operating expenses</b>	<b>101,305</b>	<b>18,699</b>	<b>20,537</b>	<b>140,541</b>	<b>116,896</b>
<b>Total Expenses</b>	<b>\$ 159,264</b>	<b>\$ 18,699</b>	<b>\$ 20,537</b>	<b>\$ 198,500</b>	<b>\$ 292,956</b>

See accompanying notes to the financial statements.



# The Trust for Public Land

## Statement of Cash Flows (dollars in thousands)

<i>Year Ended June 30, 2024 (with comparative totals for 2023)</i>	2024	2023
<b>Cash Flows from Operating Activities:</b>		
Change in net assets	\$ 46,343	\$ 7,664
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Fair market value of land and easements acquired	(179,997)	(357,004)
Change in value of land holdings	215	(1)
Net realized and unrealized gains on investments	(8,554)	(1,663)
Imputed interest contribution, net of expense	1,126	(5,077)
Forgiveness of debt	10	
Fair market value of land and easements conveyed to public agencies and other nonprofit organizations	170,534	318,874
Fair market value of land sold to private parties	6	8
Contributions with perpetual donor restrictions, net of amounts returned	(1,757)	(1,205)
Depreciation and amortization	73	133
Amortization of operating lease assets	2,351	1,214
Contributed stock	(8,954)	(3,223)
Allowance for uncollectible grants and contribution receivables	264	(617)
Gain on sale of property and equipment	(421)	
Changes in operating assets and liabilities:		
Government grants, contracts and escrow receivables, net	(7,072)	(3,091)
Contributions receivable	(11,108)	6,298
Deposits on land transactions	(777)	196
Charitable trust assets	(10,821)	(1,394)
Other assets	(617)	(290)
Accounts payable and accrued expenses	7,085	3,418
Payments on conditional promises to give		(49,979)
Option payments received	(100)	(2,700)
Refundable advances	16,845	6,317
Mitigation advances	(46)	300
Operating lease liabilities	(2,337)	(552)
Liabilities to beneficiaries of charitable trusts and annuities	7,535	(18)
Net cash provided (used) by operating activities	19,826	(82,392)
<b>Cash Flows from Investing Activities:</b>		
Proceeds from maturity and sales of investments	99,760	13,599
Purchases of investments	(106,700)	(14,734)
Issuance of notes receivable		(4,000)
Acquisitions of property and equipment	(42)	(116)
Proceeds from sale of property and equipment	421	
Net cash used by investing activities	(6,561)	(5,251)
<b>Cash Flows from Financing Activities:</b>		
Proceeds from borrowings for land acquisitions	26,704	104,614
Repayment of borrowings for land acquisitions	(32,294)	(59,251)
Receipts of perpetual donor restricted contributions, net of amounts returned	1,757	1,205
Net cash (used) provided by financing activities	(3,833)	46,568
<b>Net Change in Cash and Cash Equivalents</b>	9,432	(41,075)
<b>Cash and Cash Equivalents, beginning of year</b>	21,829	62,904
<b>Cash and Cash Equivalents, end of year</b>	\$ 31,261	\$ 21,829
<b>Supplementary Disclosure of Cash Activities:</b>		
Interest paid during the year	\$ 1,892	\$ 1,976
<b>Supplementary Disclosure of Non-Cash Activities:</b>		
Operating lease assets financed by lease liabilities	\$ 1,317	\$ 11,410

See accompanying notes to the financial statements.

# The Trust for Public Land

## Notes to the Financial Statements

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### **Note 1 - General:**

The Trust for Public Land (TPL) is a charitable, not-for-profit corporation created to serve the public's need for open space preservation in metropolitan, rural and natural areas. TPL creates parks and protects land for people, ensuring healthy, livable communities for generations to come. TPL's affiliate, The Trust for Public Land Action Fund (TPLAF), was dissolved during the year ended June 30, 2023.

### **Note 2 - Summary of Significant Accounting Policies:**

#### Basis of Presentation and Description of Net Assets

TPL prepares its financial statements using the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). TPL reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

*Net Assets Without Donor Restrictions* - the portion of net assets that is neither subject to time nor donor-imposed stipulations. TPL's Board of Directors has internally designated the use of a portion of its net assets without donor restrictions. These funds are used for timely but high-risk responses to purchase opportunities of publicly desirable open space, to provide operating reserves, and to function as a Board-designated (quasi) endowment. Internally designated funds available for use at June 30, 2024 and 2023 are approximately \$13,078,000 and \$9,870,000, respectively. These amounts include \$500,000 of funds that are designated by the Board for conservation easement and fee land stewardship and defense.

*Net Assets With Donor Restrictions* - the portion of net assets that represents contributions whose use by TPL is limited by donor-imposed stipulations that either expire with the passage of time, can be fulfilled and removed by activities conducted by TPL pursuant to those stipulations, or have been restricted by the donor for investment in perpetuity (see Note 9). Net assets with perpetual donor restrictions consist of both revolving capital funds, which are used for capital investment in land purchases, and endowment funds. The income from the revolving capital funds is generally available for current use but may also be donor restricted.

TPL maintains certain revolving funds to be used primarily for direct land acquisition. These funds may be included in either Net Assets Without Donor Restrictions (Board-designated) or Net Assets With Donor Restrictions (available either for perpetual investment in projects or use on projects but subject to repayment). Revolving funds are generally restricted to certain geographical areas or types of land.

# The Trust for Public Land

## Notes to the Financial Statements

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### Revenue Recognition

All contributions and grants, whether or not restricted, are recognized as revenue at fair value when received or unconditionally promised to TPL. TPL liquidates contributions of financial assets immediately. TPL classifies gifts of cash and other assets as donor restricted support if received with donor stipulations that limit the use of the contributions. When such donor restrictions expire, that is, when stipulated or implied time restrictions end or purpose restrictions are accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the accompanying Statement of Activities and Changes in Net Assets as net assets released from restrictions. Landowner donations with donor restrictions are reported as support without donor restrictions when the conservation purpose is achieved at the same time as the contributions are received.

Conditional promises to give are not recorded as contribution revenue until the conditions are substantially met (see Note 14).

TPL earns project fee and other income from a variety of sources, including contract revenues, mitigation funding for land conservation, project reimbursements, landowner fees, and rents (see Note 11). Project fee contract revenue is recorded as revenue over time as the work is performed and the customer consumes the benefits of the project services, in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 606, *Revenue from Contracts with Customers*. The timing for revenue recognition is based on an output measure, which is based on the value transferred to the customer to date. Mitigation funding and landowner fees are recognized at the point in time in which TPL fulfills the conservation purpose through land transactions.

Government grants are primarily cost reimbursement grants and are recognized when allowable costs have been incurred. Funds received in advance of when earned are held in refundable advances. Refundable advances are principally comprised of advances from government agencies for conveyance of land into public ownership. Government grants with donor restrictions are reported as support without donor restrictions when the conservation purpose is achieved at the same time as when the grants are received.

### Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant estimates included in TPL's financial statements are the fair value of investments, land holdings and contributions of land and easements, allowance for uncollectible receivables, and charitable trust assets and liabilities. Actual results could differ from those estimates.

# The Trust for Public Land

## Notes to the Financial Statements

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### Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

TPL classifies its financial assets and liabilities measured at fair value on a recurring basis based on a fair value hierarchy with three levels of inputs. Level 1 values are based on unadjusted quoted prices in active markets for identical securities. Level 2 values are based on significant observable market inputs, such as quoted prices for similar securities and quoted prices in inactive markets. Level 3 values are based on significant unobservable inputs that reflect TPL's determination of assumptions that market participants might reasonably use in valuing the securities. The valuation levels are not necessarily an indication of the risk or liquidity associated with the assets and liabilities measured at fair value.

### Cash and Cash Equivalents

Cash and cash equivalents include interest-bearing deposits and short-term investments purchased with maturities of three months or less.

### Investments

Investments are carried at estimated fair value on the accompanying Statement of Financial Position. Stocks and mutual funds with readily determinable fair value are reported at estimated fair value based on quoted market prices. Debt securities and a leveraged loan fund are valued using observable market-based inputs or unobservable inputs that are corroborated by market data obtained from pricing services. Investments received through gifts are recorded at estimated fair value at the date of donation.

Gains and losses that result from market fluctuations are recognized in the Statement of Activities and Changes in Net Assets in the period such fluctuations occur. Dividend and interest income are accrued when earned.

### Government Grants, Contracts and Escrow Receivables

TPL receives grants and contracts from federal, state, and local agencies to be used for open space development projects. Most amounts are expected to be received within the next fiscal year.

Grants and contracts receivables are carried at the original invoice amount less an estimate for credit losses, based on a review of all outstanding amounts on a regular basis. TPL makes provisions for credit losses at the time the financial asset is originated or acquired. TPL makes judgments as to its ability to collect outstanding receivables and provides allowances when collection becomes doubtful. Provisions are reviewed regularly, taking into consideration the individual receivables, financial condition, as well as overall current economic conditions and reasonable and supportable forecasts. Government grants, contracts and escrow receivables are reported net of an allowance for credit losses of approximately \$1,890,000 and \$3,156,000 as of June 30, 2024 and 2023, respectively.

# The Trust for Public Land

## Notes to the Financial Statements

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Activity related to the allowance for credit losses was as follows (in thousands):

Balance - June 30, 2023	\$	3,156
Provision for expected credit losses		35
Charge-offs		(1,261)
Recoveries		(40)
<hr/>		
Balance - June 30, 2024	\$	1,890

### Contributions Receivable

Contributions receivable represent amounts unconditionally committed by donors, foundations and agencies that have not been received by TPL. Such receivables are recorded at the present value of their estimated future cash flows. The discounts on contributions receivable are computed using the prime rate applicable to the month in which those promises were made. Amortization of the discounts is included in contribution and grants revenue.

TPL estimates the allowance for uncollectible contributions on an annual basis based on past collection experience and current economic conditions.

### Notes Receivable

Notes receivable represent unsecured amounts due from local governmental agencies, non-profits, and other conservation partners. TPL imputes interest on below-market interest bearing notes with a maturity date of more than one year. TPL calculates imputed interest income based on the Applicable Federal Rate in effect at the date of issue.

TPL estimates the allowance for credit losses on an annual basis based on past collection experience, financial condition, as well as overall current economic conditions and reasonable and supportable forecasts. No provision was considered necessary at June 30, 2024. Notes receivable of \$4,000,000 at June 30, 2024 were due within one year.

### Land Holdings

TPL accounts for its land holdings at fair value at the date of acquisition. Fair value is determined using one of the following valuation procedures:

- Values are primarily based on independent professional appraisals performed for TPL or on appraised values determined or adopted by public agencies.
- Where a current appraisal is available from a professionally qualified independent appraiser retained by a third party, such value may be adopted when TPL is satisfied that the appraisal is reasonable.

# The Trust for Public Land

## Notes to the Financial Statements

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- Where neither of the foregoing sources is readily available, TPL may use the full cash value as established by the local tax assessor, cost if the cash value is minimal, or internal estimates based on staff analyses.

When consideration paid by TPL for conservation lands is less than the fair market value of land acquired, the difference is recorded as contribution revenue.

Land conveyances are recorded at fair value at the date of conveyance, also determined by one of the valuation methods noted above. Any increase in the value at the time of conveyance is recorded as a change in value of land holdings. When the value of the land conveyed exceeds the consideration received at the time of conveyance, the difference is recorded as contributions of land expense.

TPL evaluates the carrying value of its land holdings at fiscal year-end for impairment using a market approach. If and when the decrease in fair value is material and verifiable based upon information about current economic and market conditions, recent appraisals, option agreements signed, and dedicated funding available for project shortfalls, a write-down of the value is recorded in land holdings and change in value of land holdings. Change in value of land holdings includes impairment in value of land holdings for the years ended June 30, 2024 and 2023 in the amount of \$0 and \$595,000, respectively.

### Easements

Easements acquired by TPL are conservation easements and represent numerous restrictions over the use and development of land not owned by TPL. These easements generally provide that the land will be maintained unimpaired in its current natural, agricultural, scenic, or recreational state. During the years ended June 30, 2024 and 2023, easements valued at approximately \$51,489,000 and \$49,171,000 were acquired and \$53,826,000 and \$52,165,000 conveyed.

### Charitable Trust Assets

Charitable trust assets include the assets of various trusts for which TPL is the Trustee, gift annuities and pooled income funds. Charitable trust assets, held by TPL, are invested in a diversified portfolio of mutual funds, stocks, and bonds. Mutual funds and stocks with readily determinable fair value are reported at estimated fair value based on quoted market prices. Debt securities are valued using observable market-based inputs or unobservable inputs that are corroborated by market data obtained from pricing services.

Charitable trust assets also include the fair value of TPL's remainder interest receivable in certain trusts where TPL is not the trustee. The fair value of these trusts is measured based upon the estimated net present value of amounts to be received using investment values reported from the trustees less liabilities to beneficiaries calculated using the valuation technique as described in Note 2.

### Property, Furniture and Equipment

Property, furniture, and equipment are recorded at cost. Depreciation and amortization are computed by the straight-line method over the estimated useful lives of the assets, which range from 5 to 15 years.

# The Trust for Public Land

## Notes to the Financial Statements

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### Leases

TPL determines whether an arrangement is or includes a lease and categorizes leases as either operating or finance leases at their commencement. TPL does not have any financing leases. Operating right-of-use lease assets represent TPL's right to use an underlying asset during the lease term and operating lease liabilities represent TPL's obligation to make payments arising from the lease. Operating leases are recorded in operating lease assets and operating lease liabilities on the Statement of Financial Position.

Operating right-of-use lease assets and operating lease liabilities are recognized based on the present value of the future minimum lease payments over the lease term at commencement date. The discount rate used to derive the present value is based on the rate implicit in the lease or, in absence of a rate implicit in the lease, a risk-free rate which is aligned with the lease term at the lease commencement date. Renewal periods are included in calculating the right-of-use assets and liabilities when they are reasonably certain of exercise. Lease expense for minimum lease payments is recognized on a straight-line basis over the lease term. TPL made an accounting policy election not to recognize lease assets and liabilities for leases with a term of 12 months or less.

### Option Payments Received

Option payments received represent option consideration tendered to TPL, subject to an option agreement or other legal contract to sell the land.

### Mitigation Advances

Mitigation advances include cash received by TPL generally from court ordered consent decrees, or settlements reached by parties involved in environmental litigation. If the terms of the specific award permit using the mitigation funds to advance TPL's conservation mission, the advances are recorded as project fees and other income at the time the funds are used to support a TPL project. Until such time as TPL or another organization utilizes the funds, mitigation advances are reflected as a liability on the accompanying Statement of Financial Position.

### Notes Payable

Notes payable are carried at cost less discount, if any. TPL imputes interest on below-market interest bearing notes with a maturity date of more than one year. TPL calculates imputed interest expense based on the Applicable Federal Rate in effect at the date of issue. Imputed interest discount is amortized throughout the term of the note.

### Liabilities to Beneficiaries of Charitable Trusts and Annuities

At the time charitable trust assets are received, liabilities to beneficiaries of charitable trusts are recorded at fair value, based on the present value of liabilities due to primary beneficiaries and unrelated secondary beneficiaries of the irrevocable trusts for which TPL is both trustee and a secondary beneficiary (see Note 6). In periods subsequent to initial recognition, TPL amortizes the discount associated with the obligation and adjusts for changes in life expectancies.

# The Trust for Public Land

## Notes to the Financial Statements

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The liabilities are actuarially determined by a third party actuarial specialist using investment returns consistent with the composition of the asset portfolios ranging from 6.70% to 7.58% or the required payout rate, life expectancies from the 1983 Table “a” for gifts prior to July 1, 1998, and life expectancies from the Annuity 2000 Mortality Table for all other trusts, as well as for the pooled income fund and all gift annuities, in the determination of single and joint life expectancies (see Note 6). The discount rate for determining the present value of a remainder interest is determined by the Internal Revenue Service Applicable Federal Rate table for the month during which the gift is received (ranging from 0.6% to 10%). Management evaluates the reasonableness of the assumptions and inputs used on an annual basis.

### Tax Exempt Status

TPL is a publicly supported, tax-exempt organization under section 501(c)(3) of the Internal Revenue Code and a similar section under the California Revenue and Taxation Code. Contributions to TPL are deductible as allowed under Section 170(b)(1)(A)(vi) of the Code.

Management evaluated TPL’s tax positions and concluded that TPL had maintained its tax-exempt status and had not taken uncertain tax positions that required adjustment to the financial statements. Therefore, no provision or liability for income taxes has been included in the financial statements.

### Functional Expense Allocations

Expenses, such as salaries and benefits, rent and office expense, and general professional services have been allocated among program services, development, and management and support services classifications based primarily on employee ratios and on estimates made by TPL’s management.

### Recent Accounting Pronouncements

#### *Pronouncement Adopted*

In June 2016, the FASB issued Accounting Standards Update (ASU) 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*. The ASU requires the measurement of all expected credit losses over the expected life of financial assets recorded at amortized cost and held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. All organizations will now use forward-looking information to better inform their credit loss estimates. TPL adopted this guidance effective July 1, 2023 using the retrospective transition method without material effect to the financial statements.

### Subsequent Events

TPL has evaluated subsequent events from June 30, 2024 through December 2, 2024, the date these financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosure in these financial statements.



# The Trust for Public Land

## Notes to the Financial Statements

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### Note 3 - Investments and Fair Value Measurements:

#### *Investments*

Investments are reflected at estimated fair value, and consisted of the following at June 30:

<i>(Dollars in thousands)</i>	2024	2023
Mutual funds - domestic stocks	\$ 13,711	\$ 16,898
Mutual funds - international stocks	5,478	10,590
Mutual funds - domestic real estate		4,767
Mutual funds - international real estate		2,263
Mutual funds - domestic bonds	15,105	11,121
Mutual funds - international bonds		2,428
Leveraged loan fund		14,635
Equity securities	52,891	
Debt securities:		
U.S. Treasury	12,402	7,154
U.S. government agency	498	807
Mortgage backed	305	630
Asset backed	2,485	4,274
Corporate	8,829	12,238
Municipal	4,136	3,587
<b>Total investments</b>	<b>\$ 115,840</b>	<b>\$ 91,392</b>

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# The Trust for Public Land

## Notes to the Financial Statements

### Fair Value Measurement - Recurring Measurements

The valuation methodologies used for instruments measured at fair value on a recurring basis are described in Note 2. The table below summarizes assets measured at fair value on a recurring basis:

<i>(Dollars in thousands)</i>	2024			
	Level 1	Level 2	Level 3	Total
<b>Investments</b>				
Mutual funds - domestic stocks	\$ 13,711			\$ 13,711
Mutual funds - international stocks	5,478			5,478
Mutual funds - domestic bonds	15,105			15,105
Equity securities	52,891			52,891
Debt securities:				
U.S. Treasury	12,402			12,402
U.S. government agency		\$ 498		498
Mortgage backed		305		305
Asset backed		2,485		2,485
Corporate		8,829		8,829
Municipal		4,136		4,136
<b>Charitable Trust Investments (Held by TPL)</b>				
<b>(Note 6)</b>				
Cash and cash equivalents	485			485
Mutual funds - domestic stocks	24,666			24,666
Mutual funds - international stocks	10,794			10,794
Mutual funds - domestic real estate	1,643			1,643
Mutual funds - international real estate	810			810
Mutual funds - domestic bonds	15,175			15,175
Mutual funds - international bonds	1,029			1,029
Mutual funds - balanced	1,581			1,581
U.S. Treasury notes	373			373
<b>Charitable Trust Receivable (Outside Trusts)</b>				
<b>(Note 6)</b>				
			\$ 14,722	14,722
<b>Total</b>	<b>\$ 156,143</b>	<b>\$ 16,253</b>	<b>\$ 14,722</b>	<b>\$ 187,118</b>

# The Trust for Public Land

## Notes to the Financial Statements

(Dollars in thousands)

	2023			Total
	Level 1	Level 2	Level 3	
<b>Investments</b>				
Mutual funds - domestic stocks	\$ 16,898			\$ 16,898
Mutual funds - international stocks	10,590			10,590
Mutual funds - domestic real estate	4,767			4,767
Mutual funds - international real estate	2,263			2,263
Mutual funds - domestic bonds	11,121			11,121
Mutual funds - international bonds	2,428			2,428
Leverage loan fund		\$ 14,635		14,635
Debt securities:				
U.S. Treasury	7,154			7,154
U.S. government agency		807		807
Mortgage backed		630		630
Asset backed		4,274		4,274
Corporate		12,238		12,238
Municipal		3,587		3,587
<b>Charitable Trust Investments (Held by TPL) (Note 6)</b>				
Cash and cash equivalents	465			465
Mutual funds - domestic stocks	24,301			24,301
Mutual funds - international stocks	10,432			10,432
Mutual funds - domestic real estate	1,583			1,583
Mutual funds - international real estate	742			742
Mutual funds - domestic bonds	14,086			14,086
Mutual funds - international bonds	1,013			1,013
Mutual funds - balanced	1,447			1,447
U.S. Treasury notes	340			340
<b>Charitable Trust Receivable (Outside Trusts) (Note 6)</b>			\$ 6,048	6,048
<b>Total</b>	<b>\$ 109,630</b>	<b>\$ 36,171</b>	<b>\$ 6,048</b>	<b>\$ 151,849</b>

# The Trust for Public Land

## Notes to the Financial Statements

The following is a rollforward of the Level 3 assets (in thousands):

	Charitable Trust Receivable (Outside Trustee)
Fair value at June 30, 2023	\$ 6,048
Contributions	9,557
Total realized and unrealized losses	(883)
<hr/>	
Fair value at June 30, 2024	\$ 14,722

See Land Holdings (Note 2) regarding fair value measurement of assets on a non-recurring basis.

### Note 4 - Contributions Receivable:

Contributions receivable are due as follows as of June 30:

<i>(Dollars in thousands)</i>	2024	2023
Less than one year	\$ 23,970	\$ 13,218
One to five years (net of discount of \$571 and \$265)	3,099	2,709
Greater than five years (net of discount of \$18 and \$37)	84	158
<hr/>		
Subtotal	27,153	16,085
Less allowance for uncollectible amounts	(643)	(432)
<hr/>		
Net contributions receivable	\$ 26,510	\$ 15,653

### Note 5 - Land Holdings:

TPL acquires land from willing landowners and then conveys it to public agencies, land trusts, or other groups for protection. In some instances, TPL helps protect the land through conservation easements, which restrict development but permit traditional uses such as farming and ranching.

Net assets without donor restrictions and net assets with donor restrictions include donations of land received by TPL. These donations are realized from outright donations of land to TPL, as well as from transactions where the fair market value of land received exceeds the cost of land acquired. At June 30, 2024, the fair market value of land acquired and held exceeded the consideration paid for these land holdings by \$1,746,622. At June 30, 2023, the fair market value of land acquired and held exceeded the consideration paid for these land holdings by \$3,334,266.

# The Trust for Public Land

## Notes to the Financial Statements

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In line with its mission, TPL intends to convey its land holdings into protective public and not-for-profit ownership. In many cases, land will be conveyed at a price less than fair market value, resulting in a contribution of land value to the grantee. At June 30, 2024 and 2023, with the exception of properties accounted for using the deposit method, TPL had no legal obligations to third parties to convey land holdings.

As part of its normal operations, TPL was involved in various stages of negotiation for the purchase of real property at June 30, 2024 and 2023. Purchase and Sale Agreements were executed with various contingencies for inspection period, seller requirements, and other conditions for closing. In addition, Purchase Options had been exercised, again dependent on various contingencies. Some of these negotiations resulted in completed acquisitions in the following fiscal year.

Occasionally, TPL acquires or receives real estate and land parcels with minimal conservation or protection value. These are sold in the open market to provide funds for TPL to carry out its conservation work. The carrying value of these properties included in land holdings at June 30, 2024 and 2023 was \$0 and \$26,750, respectively.

### **Note 6 - Charitable Trust Assets and Liabilities to Beneficiaries of Charitable Trusts:**

Charitable trust assets include charitable remainder unitrusts, charitable remainder annuity trusts, assets attributable to a charitable gift annuity program, and assets within a pooled income fund.

Charitable trust assets consisted of the following as of June 30:

<i>(Dollars in thousands)</i>	2024	2023
Charitable remainder unitrust - TPL as trustee	\$ 52,427	\$ 50,406
Charitable remainder unitrust - outside trustee	14,722	6,048
Charitable remainder annuity trusts - TPL as trustee	582	576
Charitable gift annuities	3,470	3,351
Pooled income funds	77	76
<b>Charitable assets</b>	<b>\$ 71,278</b>	<b>\$ 60,457</b>

# The Trust for Public Land

## Notes to the Financial Statements

Each charitable trust requires periodic distributions to designated primary beneficiaries over a period of time. Accordingly, such liabilities to beneficiaries of charitable trusts in which the TPL is both trustee and secondary beneficiary have been reflected as liabilities to beneficiaries of charitable trusts. Such liabilities have been determined based upon an actuarial analysis of the expected income to be generated by the assets of each charitable trust, the life expectancies of the primary beneficiaries of each trust, and the distribution rates established by the charitable trust agreements. As of June 30, 2024 and 2023, liabilities to beneficiaries of charitable trusts and annuities approximate \$38,936,000 and \$31,401,000.

The discounted remainder values of any new interests in charitable trusts are recorded as future interests in charitable trusts. Changes in life expectancies, investment income projections, and other actuarial assumptions are shown as a change in value of interests in charitable trusts.

Various states regulate the issuance of charitable gift annuities. In the State of California, charitable gift annuities are regulated by the Department of Insurance because an annuity is considered an insurance product. California has specific reserve and investment requirements, and it requires reserves to be held in a separate account. Management believes that it is in conformity with compliance requirements in California, and with all of those states where it has established gift annuities.

Charitable trust assets portfolio consisted of the following as of June 30:

<i>(Dollars in thousands)</i>	2024	2023
Charitable Trust Investments - Held by TPL		
Cash and cash equivalents	\$ 485	\$ 465
Mutual funds - domestic stocks	24,666	24,301
Mutual funds - international stocks	10,794	10,432
Mutual funds - domestic real estate	1,643	1,583
Mutual funds - international real estate	810	742
Mutual funds - domestic bonds	15,175	14,086
Mutual funds - international bonds	1,029	1,013
Mutual funds - balanced	1,581	1,447
U.S. treasury notes	373	340
Charitable Trust Receivable - Outside trustee	14,722	6,048
Charitable trust assets	\$ 71,278	\$ 60,457

# The Trust for Public Land

## Notes to the Financial Statements

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### Note 7 - Property, Furniture and Equipment:

Property, furniture, and equipment consisted of the following as of June 30:

<i>(Dollars in thousands)</i>	2024	2023
Buildings and leasehold improvements	\$ 761	\$ 1,654
Furniture and fixtures	357	374
Office equipment	1,446	1,398
Total	2,564	3,426
Less accumulated depreciation and amortization	(2,336)	(3,167)
Property, furniture and equipment, net	\$ 228	\$ 259

### Note 8 - Notes Payable:

At June 30, 2024, TPL had two unsecured bank line of credit agreements for use nationally.

One of the unsecured lines of credit of \$60,000,000 bears interest at either a variable rate of prime rate (8.50% at June 30, 2024), or an optional 1, 3 or 6-month fixed rate based on applicable Secured Overnight Financing Rate (SOFR) plus 1.60% (6.93% at June 30, 2024). Additionally, the line incurs an unused commitment fee of 0.5%. The line requires annual renewal and currently expires on March 31, 2025. At June 30, 2024 and 2023, approximately \$15,184,000 and \$21,759,000 of this line of credit was being utilized.

The second unsecured bank line of credit of \$20,000,000 bears interest at either a variable rate of applicable SOFR plus 1.50% (6.83% at June 30, 2024), or an optional variable rate of prime rate minus 1.00% (7.50% at June 30, 2024). The line requires annual renewal and currently expires on March 31, 2025. It bears an unused commitment fee of 0.75%. At June 30, 2024 and 2023, approximately \$5,483,000 and \$1,500,000 of this line of credit was being utilized.

All of the above-mentioned borrowings are included in the table below as notes payable to banks.

# The Trust for Public Land

## Notes to the Financial Statements

Notes payable (and current terms) as of June 30:

<i>(Dollars in thousands)</i>	2024	2023
Banks (6.83% to 8.50% interest with maturities through March 2025)	\$ 20,667	\$ 23,259
Living Trust and Foundations (0% to 3% interest with maturities through September 2028)	20,219	22,660
Other Financial Services (0.35% to 3% interest with maturities through December 2029)	17,516	16,937
<b>Total notes payable</b>	<b>\$ 58,402</b>	<b>\$ 62,856</b>

Payments on the notes payable are due as follows as of June 30, 2024:

Year Ending	<i>(Dollars in thousands)</i>	
June 30:		
2025	\$	28,621
2026		4,599
2027		2,000
2028		4,767
2029		3,859
Thereafter		14,556
	\$	58,402

At June 30, 2024 and 2023, notes payable included approximately \$35,902,000 and \$40,356,000, respectively, in recourse loans and \$22,500,000 and \$22,500,000, respectively, in non-recourse loans. All recourse loans are unsecured. Certain of these loan agreements have debt covenants including minimum cash requirements, liability ratios, and limits on pledged collateral. As of June 30, 2024, management believes TPL was in compliance with the terms of such debt covenants. Interest expense was approximately \$3,216,000 and \$2,753,000 for the years ended June 30, 2024 and 2023, respectively.



# The Trust for Public Land

## Notes to the Financial Statements

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### Note 9 - Net Assets With Donor Restrictions and Net Assets Released from Restrictions:

Net assets with donor restrictions were as follows as of June 30:

<i>(Dollars in thousands)</i>	2024	2023
Time and purpose restrictions:		
Restricted for project and program expenses	\$ 54,400	\$ 49,119
Restricted for acquisition of land	40,090	31,602
With time restrictions	54,306	40,356
<hr/>		
Total time and purpose restrictions	148,796	121,077
<hr/>		
Perpetual restrictions:		
Capital revolving funds	7,940	7,939
Endowment funds - income with time and purpose restrictions	18,292	16,535
Future interest in charitable trust	4,452	4,262
<hr/>		
Total perpetual restrictions	30,684	28,736
<hr/>		
Total net assets with donor restrictions	\$ 179,480	\$ 149,813

Net assets released from restrictions were as follows for the years ended June 30:

<i>(Dollars in thousands)</i>	2024	2023
Restricted for project and program expenses	\$ 62,165	\$ 52,602
Restricted for acquisition of land	9,380	74,857
<hr/>		
Total net assets released form restrictions	\$ 71,545	\$ 127,459

### Note 10 - Endowment Funds:

#### *Relevant Law and Standards*

TPL has adopted FASB ASC Topic 958-205-50-1A and 1B, *Reporting Endowment Funds*. The State of California adopted a version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as its State Prudent Management of Institutional Funds Act (SPMIFA).

# The Trust for Public Land

## Notes to the Financial Statements

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### *Interpretation of Relevant Law*

The Board of Directors of TPL has interpreted SPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, TPL classifies as net assets with perpetual donor restrictions: (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment, and (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in net assets with perpetual donor restrictions is classified as net assets with time or purpose restrictions until those amounts are appropriated for expenditure by the organization in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, TPL considers the following factors in deciding to appropriate or accumulate donor-restricted endowment funds:

- the duration and preservation of the funds
- the purpose of TPL and donor-restricted endowment funds
- general economic conditions
- the possible effects of inflation and deflation
- the expected total return from income and the appreciation of investments
- other resources of TPL
- the investment policies of TPL

The management and Board of Directors do not consider the capital revolving funds with perpetual restrictions to be endowment because the use of the principal of these funds is at the discretion of TPL and capital flows in and out for program related purposes. The future interest in charitable trust is also not a part of the endowment.

### *Endowment Investment and Spending Policies*

TPL has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by the endowment funds while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that TPL must hold in perpetuity or for a donor-specified period as well as board-designated funds. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a diversified portfolio to preserve the long-term purchasing power of endowed funds and to earn an average annual real return, after inflation and expense, that produces spendable income of at least 4 percent each year. To satisfy its long-term objectives, TPL 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). TPL assets are diversified among asset classes and among sectors and industries, quality, market capitalization, and investment strategy with each class to achieve its long-term return objectives within prudent risk constraints.

# The Trust for Public Land

## Notes to the Financial Statements

It is the policy of TPL to pool its endowment funds for purposes of investment and management. For pooled endowment funds, gains and losses are shared equally on a unit basis (allocated per pro-rated percentages), recalculated quarterly.

The amount of endowment income appropriated for distribution each year is established by the Finance Committee of the Board through its adoption of an annual endowment spending rate and spending rate base to be included in TPL's budget proposal submitted to the Board. In establishing this spending policy, TPL considers the long-term expected return on its endowment. Accordingly, over the long-term, TPL expects the spending policy to allow its endowment to grow at a rate exceeding expected inflation. This is consistent with TPL's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

TPL appropriated \$622,000 and \$568,000 for distribution in the years ended June 30, 2024 and 2023, respectively.

### *Disclosures for Deficiencies in Endowment Funds*

SPMIFA requires disclosure of any deficiencies in endowment funds for which the fair market value is less than the amount stipulated by donor or applicable law ("underwater funds"). TPL currently has no such deficiencies in its endowment funds.

Endowment net assets composition by type of fund as of June 30, 2024 was:

<i>(Dollars in thousands)</i>	Without Donor	With Donor Restrictions		Total
	Restrictions	Time or Purpose	Perpetual	
Donor-restricted endowment funds		\$ 4,147	\$ 18,292	\$ 22,439
Board-designated funds	\$ 14,420			14,420
Endowment funds	\$ 14,420	\$ 4,147	\$ 18,292	\$ 36,859

# The Trust for Public Land

## Notes to the Financial Statements

Changes in endowment net assets were as follows for the years ended June 30, 2024 and 2023:

<i>(Dollars in thousands)</i>	Without Donor Restrictions	With Donor Restrictions Time or Purpose	Perpetual	Total
Endowment net assets, June 30, 2022	\$ 9,346	\$ 1,942	\$ 15,330	\$ 26,618
Contributions	1,139		1,205	2,344
Interest and dividends, net of expense	322	610		932
Realized gains		56		56
Unrealized gains	282	527		809
Appropriations	(276)	(568)		(844)
Endowment net assets, June 30, 2023	10,813	2,567	16,535	29,915
Contributions	2,663		1,757	4,420
Interest and dividends, net of expense	204	391		595
Realized gains	364	801		1,165
Unrealized gains	672	1,010		1,682
Appropriations	(296)	(622)		(918)
Endowment net assets, June 30, 2024	\$ 14,420	\$ 4,147	\$ 18,292	\$ 36,859

TPL's endowment funds amount to \$36,859,000 and \$29,915,000 as of June 30, 2024 and 2023, respectively. TPL's endowment funds include \$3,322,000 and \$1,753,000 in pledges receivable as of June 30, 2024 and 2023, respectively.

# The Trust for Public Land

## Notes to the Financial Statements

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### Note 11 - Project Fees and Other Income:

Project fees and other income consisted of the following for the years ended June 30:

<i>(Dollars in thousands)</i>	2024	2023
Project reimbursements	\$ 47,966	\$ 28,921
Landowner fees	2,364	5,666
Contract revenue	5,539	5,528
Mitigation funding	45	675
Rents	621	1,142
Other sources, net	197	361
<b>Total project fees and other income</b>	<b>\$ 56,732</b>	<b>\$ 42,293</b>

Project fees and other income also include the gains from the sale of non-conservation properties on the open market. Open market sales for the years ended June 30, 2024 and 2023 were approximately \$6,000. There was a loss of approximately \$171 and \$3,000 associated with these open market sales during the years ended June 30, 2024 and 2023, respectively, and are included above as other sources.

### Note 12 - Leases:

TPL leases office space for the operation of a national headquarters office, and twenty four field or project offices. Lease commitments expire at various dates through January 31, 2032. Lease costs were approximately \$3,198,000 and \$3,405,000 for the years ended June 30, 2024 and 2023, respectively.

# The Trust for Public Land

## Notes to the Financial Statements

Maturities of the operating lease liabilities were as follows as of June 30, 2024:

Year Ending	<i>(Dollars in thousands)</i>	
June 30:		
2025	\$	2,893
2026		2,285
2027		2,137
2028		1,688
2029		975
Thereafter		1,515
Total lease payments		11,493
Less discount to present value		(1,655)
Present value of lease liabilities	\$	9,838

The weighted average remaining lease term as of June 30, 2024 was approximately 4.95 years. The weighted average discount rate as of June 30, 2024 was approximately 6.47%.

### **Note 13 - Commitments and Contingencies:**

#### Contract Commitments

TPL had future construction contract commitments for parks and playgrounds of approximately \$8,655,000 and \$13,905,000 as of June 30, 2024 and 2023, respectively. TPL funds its park and playground work through cost reimbursement contracts and restricted operating grants.

See Land Holdings (Note 5) regarding real property transaction commitments at year end.

#### Contingencies

TPL is a party to various litigation arising out of the normal conduct of its operations. Management believes the ultimate resolution of these matters will not materially affect the financial position, changes in net assets, or cash flows of TPL.

In addition, TPL receives funds from various federal and state government funded programs, which are subject to audit by government agencies. Management believes that TPL has complied with the terms of all agreements and that the results of such audit will not have a significant effect on the financial position or changes in net assets of TPL.

# The Trust for Public Land

## Notes to the Financial Statements

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### Note 14 - Conditional Promises to Give:

TPL had received the following conditional promises to give that are not recognized as contribution revenue in the accompanying financial statements as of June 30:

<i>(Dollars in thousands)</i>	2024	2023
Conditional promises to give upon identification of land holdings available for acquisition	\$ 5,252	\$ 9,773
Conditional promises to give upon obtaining matching unconditional promises to give	5,822	12,896
Other conditional promises to give	4,932	7,526
<b>Total conditional promises to give</b>	<b>\$ 16,006</b>	<b>\$ 30,195</b>

### Note 15 - Retirement Plan:

TPL maintains a defined contribution retirement plan (the "Plan") under Section 403(b) of the Internal Revenue Code. The Plan covers all employees who normally work twenty or more hours per week. The Plan provides for voluntary salary deferrals within certain limits and TPL provides matching employer contributions for eligible employees who contribute a certain minimum percentage of their compensation. TPL contributed approximately \$2,351,000 and \$2,103,000 to the Plan during the years ended June 30, 2024 and 2023, respectively.

### Note 16 - Concentration of Credit Risk:

Financial instruments that potentially subject TPL to credit risk consist primarily of cash equivalents, investments, federal grants, contracts and escrow receivables, contributions receivable, and notes receivable. TPL maintains cash equivalents and investments with commercial banks and other major financial institutions. TPL manages credit risk by establishing minimum credit standards for financial institutions and limiting the amount of credit exposure with any one institution. As of June 30, 2024, approximately 44% of government grants and contracts receivables are due from one organization and approximately 36% of contributions receivable are due from two donors.

# The Trust for Public Land

## Notes to the Financial Statements

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### Note 17 - Availability of Financial Assets and Liquidity:

TPL's financial assets available for general expenditures are as follows at June 30:

<i>(Dollars in thousands)</i>	2024	2023
Financial assets at year end:		
Cash and cash equivalents	\$ 31,261	\$ 21,829
Investments	115,840	91,392
Government grants, contracts and escrow receivables, net	28,375	21,316
Contributions Receivable, net	26,510	15,653
Notes receivable	4,000	4,000
Charitable trust assets	71,278	60,457
<b>Total financial assets</b>	<b>277,264</b>	<b>214,647</b>
Less amounts not available to be used within one year:		
Long-term government grants, contracts and escrow receivables, net		(560)
Charitable trust liabilities	(38,936)	(31,401)
Board-designated net assets	(13,078)	(9,870)
Net assets with donor restrictions	(179,480)	(149,813)
Plus net assets with donor restrictions to be met within one year	76,557	72,090
	(154,937)	(119,554)
<b>Financial assets available to meet general expenditures within one year</b>	<b>\$ 122,327</b>	<b>\$ 95,093</b>

In addition to the liquidity balances shown above, the Board has the option to undesignate the Board-designated funds and make available for general operations (Note 2). To help manage transitory liquidity needs, management has excess capacity on its \$80,000,000 bank credit lines (Note 8). In addition, management has the option of using proceeds from surplus land holdings (Note 5).