

Hood & Strong

Advisory, Tax
and Assurance

Marin Agricultural Land Trust

June 30, 2025

Financial Statements

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Marin Agricultural Land Trust

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Independent Auditors' Report

THE BOARD OF DIRECTORS
MARIN AGRICULTURAL LAND TRUST
Point Reyes Station, California

Opinion

We have audited the financial statements of **MARIN AGRICULTURAL LAND TRUST (MALT)**, which comprise the statement of financial position as of June 30, 2025, 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 MALT as of June 30, 2025, 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 MALT 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 the 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 MALT'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 MALT'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 MALT'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 MALT's 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated February 6, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Hood & Strongy LLP

San Francisco, California
January 27, 2026

Marin Agricultural Land Trust

Statement of Financial Position

June 30, 2025 (with comparative totals for 2024)

	Operating	Land		2025 Total	2024 Total
		Preservation	Stewardship		
Assets					
Cash and cash equivalents	\$ 632,349		\$ 43,293	\$ 675,642	\$ 681,007
Investments	7,897,965	\$ 932,364	19,933,891	28,764,220	24,256,419
Contributions receivable, net	192,170			192,170	592,299
Prepaid expenses and other assets	56,956			56,956	54,490
Charitable trust assets			559,893	559,893	501,367
Property and equipment, net	1,071,444	68,870		1,140,314	1,185,268
Conservation easements		98		98	97
Total assets	\$ 9,850,884	\$ 1,001,332	\$ 20,537,077	\$ 31,389,293	\$ 27,270,947
Liabilities and Net Assets					
Liabilities:					
Accounts payable and accrued expenses	\$ 529,048			\$ 529,048	\$ 520,105
Total liabilities	529,048			529,048	520,105
Net Assets:					
Without donor restrictions:					
Board designated			\$ 5,974,870	5,974,870	5,408,807
Undesignated	8,971,227	\$ 997,722		9,968,949	6,606,400
Total net assets without donor restrictions	8,971,227	997,722	5,974,870	15,943,819	12,015,207
With donor restrictions	350,609	3,610	14,562,207	14,916,426	14,735,635
Total net assets	9,321,836	1,001,332	20,537,077	30,860,245	26,750,842
Total liabilities and net assets	\$ 9,850,884	\$ 1,001,332	\$ 20,537,077	\$ 31,389,293	\$ 27,270,947

See accompanying notes to the financial statements.

Marin Agricultural Land Trust

Statement of Activities and Changes in Net Assets

Year Ended June 30, 2025 (with comparative totals for 2024)

	2025			2024 Total
	Without Donor Restrictions	With Donor Restrictions	Total	
Revenue and Support:				
Public agency grants	\$ 795,000		\$ 795,000	\$ 8,618,164
Grants and contributions	6,501,491		6,501,491	3,793,358
In-kind contributions	106,782		106,782	63,092
Investment income, net	991,300	\$ 1,497,861	2,489,161	2,871,075
Change in value of beneficial interest in charitable gifts		58,526	58,526	39,758
Other income	24,815		24,815	155,269
Net assets released from restriction	1,375,596	(1,375,596)	-	-
Total revenue and support	9,794,984	180,791	9,975,775	15,540,716
Expenses:				
Program services	3,526,163		3,526,163	15,910,949
General and administrative	984,236		984,236	1,058,701
Fundraising	1,355,973		1,355,973	2,046,760
Total expenses	5,866,372	-	5,866,372	19,016,410
Change in Net Assets	3,928,612	180,791	4,109,403	(3,475,694)
Net Assets, beginning of year	12,015,207	14,735,635	26,750,842	30,226,536
Net Assets, end of year	\$ 15,943,819	\$ 14,916,426	\$ 30,860,245	\$ 26,750,842

See accompanying notes to the financial statements.

Marin Agricultural Land Trust

Statement of Functional Expenses

Year Ended June 30, 2025 (with comparative totals for 2024)

	2025								2024 Total
	Program Services				Supporting Services				
	Easement Acquisition	Stewardship	Outreach	Total Programs	General and Administrative	Fundraising	Total Supporting Services	Total	
Salaries and benefits	\$ 726,135	\$ 430,197	\$ 528,845	\$ 1,685,177	\$ 671,034	\$ 1,024,953	\$ 1,695,987	\$ 3,381,164	\$ 3,468,235
Professional services	151,005	18,106	64,479	233,590	249,724	63,772	313,496	547,086	825,182
Office expenses	46,957	31,340	53,624	131,921	32,743	86,580	119,323	251,244	207,927
Insurance	15,858	5,163	9,820	30,841	7,885	12,636	20,521	51,362	42,320
Direct mail and advertising			12,571	12,571		112,880	112,880	125,451	221,912
Printing			22,935	22,935		22,765	22,765	45,700	25,403
Repairs, maintenance, and utilities	4,444	3,162	4,061	11,667	5,296	8,833	14,129	25,796	37,868
Travel, conferences, and events	2,331	1,902	87,095	91,328	8,682	18,753	27,435	118,763	153,837
Grants - stewardship assistance		478,069		478,069			-	478,069	614,719
Bad debt recovery				-		(10,000)	(10,000)	(10,000)	(9,726)
Total operating expenses	946,730	967,939	783,430	2,698,099	975,364	1,341,172	2,316,536	5,014,635	5,587,677
Other Expenses:									
Depreciation	9,936	5,299	12,063	27,298	8,872	14,801	23,673	50,971	92,442
Easement acquisition	800,766			800,766			-	800,766	13,336,291
Total expenses	\$ 1,757,432	\$ 973,238	\$ 795,493	\$ 3,526,163	\$ 984,236	\$ 1,355,973	\$ 2,340,209	\$ 5,866,372	\$ 19,016,410

See accompanying notes to the financial statements.

Marin Agricultural Land Trust

Statement of Cash Flows

<i>Year Ended June 30, 2025 (with comparative totals for 2024)</i>	2025	2024
Cash Flows from Operating Activities:		
Change in net assets	\$ 4,109,403	\$ (3,475,694)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	50,971	92,442
Provision for doubtful accounts	(10,000)	13,726
Net change in present value discount		67,716
Net realized and unrealized gain on investments	(1,765,842)	(2,058,005)
Change in value of charitable gifts	(58,526)	(16,214)
Changes in assets and liabilities:		
Contributions receivable	410,129	238,817
Prepaid expenses and other assets	(2,466)	51,847
Conservation easements	(1)	(4)
Accounts payable and accrued expenses	8,943	119,773
Net cash provided (used) by operating activities	2,742,611	(4,965,596)
Cash Flows from Investing Activities:		
Purchase of property and equipment	(6,017)	
Purchases of investments	(3,070,759)	(812,864)
Proceeds from sales and maturities of investments	328,800	5,184,904
Net cash (used) provided by investing activities	(2,747,976)	4,372,040
Change in Cash and Cash Equivalents	(5,365)	(593,556)
Cash and Cash Equivalents, beginning of year	681,007	1,274,563
Cash and Cash Equivalents, end of year	\$ 675,642	\$ 681,007

See accompanying notes to the financial statements.

Marin Agricultural Land Trust

Notes to the Financial Statements

Note 1 - Nature of Organization:

Marin Agricultural Land Trust (MALT) was established as a California nonprofit corporation in 1980 by a coalition of local ranchers and environmentalists to help save Marin County's agricultural land. MALT acquires agricultural conservation easements through voluntary transactions with landowners. After the easements are recorded, landowners are bound by their terms in perpetuity. MALT monitors and enforces each easement annually.

Since its founding, MALT has protected 58,917 acres of agricultural land on 98 easements. This growing network of conserved farm and ranch land makes up most of the privately owned agricultural land in West Marin. In addition to land conservation, MALT uses incentive-based grant programs to improve stewardship of natural and working lands on easements and non-easement agricultural lands. To raise awareness of the mission, MALT encourages public policies in support of agriculture, and conducts hikes, tours, and events relating to agriculture.

Note 2 - Summary of Significant Accounting Policies:

Basis of Presentation

MALT 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). Accordingly, MALT presents information regarding its net assets and activities according to two classes of net assets:

Net Assets Without Donor Restrictions - the portion of net assets that is not subject to time or donor-imposed restrictions and is available at the discretion of MALT. The Board of Directors (the Board) has designated \$5,974,870 as a quasi-endowment to support the Stewardship Fund (see Note 8).

Net Assets With Donor Restrictions - the portion of net assets that are restricted due to either a time restriction on when the asset may be spent, a purpose restriction imposed by a donor that is not yet fulfilled, or donor-endowed funds to be maintained in perpetuity.

Cash and Cash Equivalents

MALT considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents, except for money market accounts held within investment accounts which are held for investment purposes.

Marin Agricultural Land Trust

Notes to the Financial Statements

Investments

Investments are carried at estimated fair value on the accompanying Statement of Financial Position. Investments include money market funds, certificates of deposit, and mutual funds. Investments received through gifts are recorded at estimated fair value at the date of contribution. 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 and investment expenses are reported as a deduction from investment income.

Fair Value Measurements

MALT carries certain assets and liabilities at fair value. Fair value is defined as 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. Fair value measurement standards also require MALT to classify these financial instruments into a three-level hierarchy. MALT classifies its financial assets and liabilities according to three levels and maximizes the use of observable inputs and minimizes the use of unobservable inputs when measuring fair value.

Level 1 – Unadjusted quoted market prices in active markets for identical assets or liabilities that MALT has the ability to access at the measurement date.

Level 2 – Observable inputs other than quoted market prices included within Level 1 such as quoted prices for similar assets or liabilities in active markets or quoted prices for identical or similar assets or liabilities in inactive markets.

Level 3 – Unobservable inputs for assets or liabilities that are uncorroborated by market data.

Revenue Recognition

Grants and contributions are recognized as revenue when received or unconditionally promised. Contributions of assets other than cash are recorded at their estimated fair value on the date the donation is made. Public agency grants are recognized when MALT incurs expenditures or services are rendered.

Contributions expected to be collected in future years, including future interests in charitable lead trusts, are recorded at the present value of estimated future cash flows. Discounts on future interests are calculated using a rate equal to the approximate investment return applicable to the year in which the unconditional promise is received. Conditional promises to give - that is, those with a measurable performance or other barriers and a right of return - are not recognized until the conditions on which they depend have been met.

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

Marin Agricultural Land Trust

Notes to the Financial Statements

MALT classifies gifts of cash and other assets as support with restrictions 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. Certain contributions are reported as support without donor restrictions when the restriction is met in the same period in which the contribution is received.

Property and Equipment

Property and equipment are recorded at cost or, if donated, at fair market value on the date of donation. Depreciation is computed on the straight-line method over the estimated useful lives of the assets. Useful lives range from five to thirty-nine years.

Conservation Easements

Conservation easements reflect legally enforceable land preservation agreements between landowners and MALT and were created specifically for the purposes of land conservation. MALT's policy is to assign each easement a nominal value of \$1 because it is MALT's intention to hold such easements in perpetuity. During the year of acquisition, public agency grants and contributions received for the acquisition of conservation easements are recorded as revenue while the related expenditures are recorded as expenses in the accompanying Statement of Activities and Changes in Net Assets.

Mandatory Agricultural Use (MAU) Amendments are legally enforceable agreements to amend conservation easements acquired prior to August 2011. MALT's MAU provision states that land must remain in commercial agricultural use in perpetuity regardless of ownership. This provision is added to the easement in exchange for a price which is recorded as a conservation easement expense. Conservation easements were acquired in August 2011 and after including the MAU provision as part of the easement transaction, the value is included in the price of the easement.

MALT purchased one conservation easement totaling \$800,766 during the year ended June 30, 2025. MALT purchased four conservation easements totaling \$13,336,291 during the year ended June 30, 2024.

Grants

Grants are made for farmers and ranchers to implement conservation practices. Grant expenses are recorded when MALT makes an unconditional promise to give. Conditional promises to give are recognized as grant expense in the period in which the recipient meets the terms of the condition. Grant cancellations or unspent funds are recorded in the year cancelled or funds returned. As of June 30, 2025, MALT had approved grants totaling approximately \$546,600 which were not recognized as the recipients had not yet met the conditions.

Marin Agricultural Land Trust

Notes to the Financial Statements

Beneficial Interest in Charitable Trusts

Beneficial interest in charitable trusts include the estimated fair value of various irrevocable charitable trusts. Charitable trust assets are maintained by third parties and invested in a diversified portfolio of mutual funds, stocks, and bonds. MALT records charitable trust assets at the projected future fair value of MALT's vested interest in the underlying assets which is discounted to net present value using an interest rate of 3.96% per annum as of June 30, 2025. On an annual basis, MALT revalues its beneficial interest in each instrument based on the applicable life expectancy tables published by the Internal Revenue Service (IRS).

Endowments

Endowments include both donor-restricted endowment funds and funds designated by the Board function as endowments. MALT follows the guidance of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 958-205 *Endowments of Not-for-Profit Organizations – Net Assets Classification of Funds Subject to Enacted Version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA)*, and *Enhanced Disclosures for All Endowment Funds*. The State of California has adopted a version of UPMIFA as its State Prudent Management of Institutional Funds Act (SPMIFA).

Interpretation of Relevant Law

The Board has determined that MALT holds net assets that meet the definition of endowment funds under SPMIFA.

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

In accordance with SPMIFA, MALT considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the fund, (2) the purposes of MALT and the donor-restricted endowment fund, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of MALT, and (7) the investment policies of MALT.

From time to time, the fair value of the assets associated with individual donor restricted endowment funds may fall below historical gift value. There are no underwater endowment funds as of June 30, 2025.

Marin Agricultural Land Trust

Notes to the Financial Statements

Investment and Spending Policies

MALT 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. Endowment assets are invested in a manner that is intended to (1) produce results that approximate the price and yield results of the general market conditions (2) subject MALT to a moderate level of investment risk and (3) maintain sufficient liquidity to meet planned expenditures. To satisfy its long-term rate-of-return objectives, MALT 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). MALT targets a diversified asset allocation that places a greater emphasis on equity-based investments (mutual funds) to achieve its long-term return objectives within prudent risk constraints. MALT has a policy of appropriating for distribution an amount equal to or less than 3.5% of the average value of the total fund investments for the most recent twelve calendar quarters. The Board suspended the spending policy for the quasi-endowment in 2019 in order to increase the quasi-endowment assets. Funds without donor restrictions may be transferred for monthly expenditure; amounts from funds with perpetual donor restrictions in excess of their historical gift value may be transferred for expenditure semi-annually or as otherwise directed by the donor. The Board may direct the transfer of funds without donor restrictions in excess of a target balance to other MALT purposes. During the year ended June 30, 2025, MALT appropriated \$328,800 of endowment earnings to be used for operations.

Allocation of Functional Expenses

The costs of providing MALT's various programs and other activities have been summarized on a functional basis in the Statement of Activities and Changes in Net Assets. Accordingly, salaries and benefits are allocated among program services, general and administrative, and fundraising based on an allocation of employee time. Expenses incurred directly by a department are coded directly to that department. Shared facility costs such as utilities and repair and maintenance among others are allocated based on square footage. Shared operating costs such as office supplies and postage are allocated based on staffing levels.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Comparative Financial Statements and Reclassifications

The financial statements include certain prior year summarized comparative information in total but not net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with MALT's financial statements for the year ended June 30, 2024, from which the summarized information is derived.

Marin Agricultural Land Trust

Notes to the Financial Statements

Certain reclassifications have been made to the 2024 financial statements to conform to the 2025 presentation. These reclassifications had no impact on net assets or the change in net assets.

Tax Exempt Status

MALT has received notification from the IRS and the State of California that it qualifies for tax-exempt status under Section 501(c)(3) of the Internal Revenue Code and Section 23701d of the California Revenue and Taxation Code. Contributions to MALT are deductible as allowed under the applicable tax code.

As of June 30, 2025, management evaluated MALT's tax positions and concluded that MALT 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.

Subsequent Events

MALT evaluated subsequent events with respect to the financial statements for the year ended June 30, 2025 through January 27, 2026, the date these financial statements were available to be issued, and has determined that no adjustments are necessary to the amounts reported in the accompanying financial statements nor have any subsequent events occurred, the nature of which would require disclosure.

Note 3 - Contributions Receivable, Net:

Contributions receivables are expected to be collected as follows at June 30:

	2025	2024
Less than one year	\$ 192,170	\$ 602,299
	192,170	602,299
Less allowance for uncollectible amounts		(10,000)
	\$ 192,170	\$ 592,299

Marin Agricultural Land Trust

Notes to the Financial Statements

Note 4 - Investments and Fair Value Measurements:

Investments:

Investments consisted of the following at June 30:

	2025	2024
Money market accounts	\$ 8,933,955	\$ 4,471,287
Mutual funds — bonds	6,555,650	6,275,337
Mutual funds — equities	13,274,615	13,509,795
	<hr/>	<hr/>
	\$ 28,764,220	\$ 24,256,419

Investment income, net consisted of the following for the years ended June 30:

	2025	2024
Net realized and unrealized gains	\$ 1,765,842	\$ 2,058,005
Interest and dividends	723,319	813,070
	<hr/>	<hr/>
	\$ 2,489,161	\$ 2,871,075

Fair Value Measurement:

Investments held at year end include money market funds and mutual funds that are held at fair value and classified as Level 1. MALT also holds charitable trust assets of \$559,893 and \$501,367 on June 30, 2025 and 2024, respectively, that are classified as Level 2.

Marin Agricultural Land Trust

Notes to the Financial Statements

Note 5 - Property and Equipment:

Property and equipment consisted of the following on June 30:

	2025	2024
Land	\$ 462,582	\$ 462,582
Office building and improvements	1,319,941	1,319,941
Furnishings and equipment	214,869	208,852
Website and software	173,578	173,578
Vehicles	92,679	92,679
	<hr/>	<hr/>
	2,263,649	2,257,632
Less: accumulated depreciation	(1,123,335)	(1,072,364)
	<hr/>	<hr/>
	\$ 1,140,314	\$ 1,185,268

Depreciation expenses were \$50,971 and \$92,442 for the years ended June 30, 2025 and 2024, respectively.

Note 6 - Charitable Trust Assets:

Charitable trust assets include MALT's beneficial interest in irrevocable charitable remainder unitrusts and charitable gift annuities.

Charitable trust assets (Level 2) consisted of the following as of June 30:

	2025	2024
Charitable remainder unitrusts	\$ 471,897	\$ 425,207
Charitable gift annuities	87,996	76,160
	<hr/>	<hr/>
	\$ 559,893	\$ 501,367

Each charitable trust requires periodic distributions to designated primary beneficiaries over a period. These distributions are based on the value of the gift instruments' underlying assets and their earnings. Following the passing of the specified individuals, a percentage of the remaining principal will be distributed to MALT.

Marin Agricultural Land Trust

Notes to the Financial Statements

Assets associated with charitable trusts consist primarily of cash equivalents, equities and fixed income securities. The change in the estimated value of MALT's beneficial interest in charitable trust assets is reflected on the Statement of Activities and Changes in Net Assets.

Note 7 - Net Assets with Donor Restrictions:

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

	2025	2024
Time and purpose restrictions:		
Stewardship endowment	\$ 7,710,966	\$ 6,740,230
Red-legged frog mitigation	1,319,107	1,120,782
Strategic plan initiatives	204,009	546,206
Stewardship projects	146,600	340,000
Other purposes	7,498	18,697
Charitable trust assets	559,893	501,367
With time restrictions		500,000
Total time and purpose restrictions	9,948,073	9,767,282
Perpetual restrictions:		
Stewardship endowment	4,418,353	4,418,353
Red-legged frog mitigation	550,000	550,000
Total perpetual restrictions	4,968,353	4,968,353
	\$ 14,916,426	\$ 14,735,635

Marin Agricultural Land Trust

Notes to the Financial Statements

Net assets released from time and purpose restrictions were as follows during the years ended June 30:

	2025	2024
Stewardship projects	\$ 193,400	\$ 185,000
Strategic plan initiatives	342,198	263,816
Red-legged frog mitigation		7,404
Other purposes	11,198	34,800
With time restrictions	500,000	727,543
Appropriation of endowment income	328,800	
	\$ 1,375,596	\$ 1,218,563

In a prior year, MALT received a contribution of \$810,000 for the 204-acre red-legged frog mitigation area of the Barboni Home Ranch easement. The mitigation agreement required MALT to maintain in perpetuity \$550,000 and utilize the related income and corpus as necessary for the red-legged frog mitigation and is not considered a component of the endowments. The remainder of \$260,000 held in net assets with time and purpose restrictions will be used for other operating expenses of the mitigation. MALT allocates related expenses as expenses are incurred but does not apply a spending policy to these funds.

Note 8 - Endowment:

Changes in endowment net assets for the years ended June 30, 2025 and 2024 are summarized as follows:

	Without Donor Restrictions	With Donor Restrictions		
		Time or Purpose	Perpetuity	Total
Endowment net assets, June 30, 2023	\$ 4,699,735	\$ 5,262,787	\$ 4,418,353	\$ 14,380,875
Interest and dividends	105,548	219,892		325,440
Net realized and unrealized gains	603,524	1,257,551		1,861,075
				16,567,390
Endowment net assets, June 30, 2024	5,408,807	6,740,230	4,418,353	16,567,390
Interest and dividends	122,909	250,314		373,223
Net realized and unrealized gains	443,154	1,049,222		1,492,376
Appropriations		(328,800)		(328,800)
				18,104,189
Endowment net assets, June 30, 2025	\$ 5,974,870	\$ 7,710,966	\$ 4,418,353	\$ 18,104,189

Marin Agricultural Land Trust

Notes to the Financial Statements

Note 9 - Availability of Financial Assets and Liquidity:

MALT's financial assets available within one year for general expenditure were as follows:

Financial assets at June 30, 2025:	
Cash and cash equivalents	\$ 675,642
Investments	28,764,220
Contributions receivable, net	192,170
Beneficial interest in charitable gifts	559,893
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Total financial assets	30,191,925
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Less amounts not available to be used within one year:	
Beneficial interest in charitable gifts	(559,893)
Perpetual restrictions	(4,968,353)
Endowment earnings	(7,710,966)
Net assets with donor restrictions, including long-term receivables	(1,677,214)
Board-designated quasi-endowment funds	(5,974,870)
Add net assets with restrictions to be met in less than a year	749,307
<hr/>	
	(20,141,989)
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Financial assets available to meet general expenditures within one year	\$ 10,049,936

MALT maintains an operating reserve of approximately 90 days of operating expenses (approximately \$1,300,000). As part of its liquidity plan, excess cash is invested in short-term investments, including money market accounts. Board-designated funds may be drawn upon if the Board approves the action.

Note 10 - Retirement Plan:

MALT established a 403(b)(7) Retirement Plan by which individual employees may, through salary reduction payments, make pre-tax or Roth contributions to a self-directed custodial account in which dividends, interest, capital gain, and other earnings accumulate. Eligible employees participate in employer contributions, which are discretionary, after 12 months and 1,000 hours of service, and include a three-year vesting schedule. Employer contributions to employee retirement plans amounted to \$135,549 and \$93,921 for the years ended June 30, 2025, and 2024, respectively.

Marin Agricultural Land Trust

Notes to the Financial Statements

Note 11 - Concentrations of Risk:

MALT has identified its financial instruments which are potentially subject to credit risk. These financial instruments consist principally of cash, investments, and receivables.

MALT maintains its cash balances in high quality financial institutions, which at times may exceed federally insured limits.

Receivables consist of unsecured amounts due from a bequest and a government grant. As of June 30, 2025, approximately 91% of contributions receivable were due from one donor.

Investments in general are exposed to various risks, such as interest rates, credit and overall market volatility. To address the risk of investments, MALT maintains a formal investment policy that sets out performance criteria, investment and asset allocation guidelines and requires review of the investment managers' performance.

Note 12 - Related Party Transactions:

Collectively, certain MALT board members made monetary contributions totaling approximately \$272,000 and \$235,000 during the years ended June 30, 2025, and 2024, respectively.