On March 1, 2020, TerraFirma Risk Retention Group LLC issued its eighth year of conservation defense liability insurance policies to 538 land trusts from 48 states and the District of Columbia covering over 9.3 million acres of conservation land. In its eighth full year of operations, TerraFirma maintained good standing with all regulators. You may view the financial and regulatory annual filings for TerraFirma [on the website](#). TerraFirma is a charitable risk pool owned by member land trusts that insures the owner members against the legal costs of safeguarding land conservation permanently. TerraFirma is managed by Alliance Risk Management Services, LLC, a wholly owned subsidiary of the Alliance.

TerraFirma enhanced its financial stability in 2020. An independent actuary certified reserves of $2,379,448 as adequate and reasonable to meet TerraFirma's unpaid claims liabilities. Total market value of all TerraFirma assets as of December 31, 2020 was $10,094,158 compared to $8,864,692 for 2019. Positive cash flow from operations brought total equity to over $7.2 million at the end of 2020. Gross written premium increased approximately 4% from $1,719,746 in 2020 to $1,790,236 in 2021.

TerraFirma fulfilled its charitable mission of helping land trusts defend their public liability for conservation lands by handling 252 claims during the 2019 policy year (19 covered and active, 12 denied, 131 successfully resolved, and 87 in voluntary resolution). Notification of possible problems remaining for 2020 may be filed with TerraFirma until April 30, 2021. Claims filed up to March 1, 2021 for the 2020 policy year total 216. Combined with the 940 claims handled in 2013 through 2019, TerraFirma has addressed 1,156 claims over the eight policy years with 698 cases successfully resolved including 26 with favorable court decisions and two unfavorable decisions.

Covered claims frequency is slightly higher than the 2010 feasibility projections. Covered claims severity is less; however, 52 covered claims remain active. Claims follow historical trends including preserve and conservation easement trespass, vegetation removal, topography changes, minor unpermitted structures, unpermitted land divisions, and technical legal challenges such as partition proceedings and bankruptcy.

Risk balancing education and training, in collaboration with the Land Trust Alliance, is an essential part of helping all land trusts with lasting conservation. Although the Land Trust Alliance had a fundamental role in establishing and supports TerraFirma through ARMS, the Alliance does not own TerraFirma. Through participation in risk management training, TerraFirma land trusts claimed $26,543 in discounted premium for 338 land trusts for 2021. Of the total 446 accredited land trusts, 380 (85%) are TerraFirma members.

Mergers increase land trusts' strength. TerraFirma member land trusts are merging, decreasing the total number of land trust members but not affecting amount of land insured. For 2021, TerraFirma land trust owner members increased to 541 even after new mergers of land trust...
members. Acres insured increased to 9,803,397 and parcels increased to 34,788 (86% easement, 13% fee land and 1% access and trail easements plus deed restrictions), comprising 64% of all land trusts who are members of the Land Trust Alliance with a conservation portfolio. Terrafirma is pleased to report 100% retention of the 538 Terrafirma 2020 policy year owner members 2021. Terrafirma started in 2013 insuring 20,568 properties covering 6,354,434 acres from 420 land trusts in 46 states and the District of Columbia. The 2021 membership increases of 36% in insured acres, 41% increase in insured parcels, and a 23% increase in insured land trusts not counting mergers over eight years.

In 2021 conservation easements continue to comprise the most insured rights with 29,664 (86%) of the enrolled 34,788 parcels from 48 states and D.C. The remainder are land owned (4,830), access easements (63), and trail easements (143) and deed restrictions (88). The current Terrafirma member land trusts with the self-insured organizations together have adequate resources to protect over 80% of all easement and owned acres.

Terrafirma Risk Retention Group LLC now has 541 land trust members, operates in 48 states plus D.C., and insures over 9.8 million acres — that is about the combined size of the states of Vermont and Connecticut. The growth in acres insured is about the size of the U.S. Virgin Islands. Connect with Terrafirma on LinkedIn or subscribe to TerraBite, complimentary risk balancing through quick and simple pointers.

ALLIANCE RISK MANAGEMENT SERVICES LLC (ARMS)
1250 H STREET NW, SUITE 600, WASHINGTON, DC 20005

HANNAH FLAKE
Conservation Defense Coordinator
202-800-2248 | hflake@lta.org
help@terrafirma.org

LESLIE RATLEY-BEACH
Conservation Defense Director
ARMS Vice President and Secretary
802-262-6051 | lrbeach@lta.org