On March 1, 2021 Terrafirma Risk Retention Group LLC issued its ninth year of conservation defense liability insurance policies to 542 land trusts from 48 states and the District of Columbia covering over 9.8 million acres of conservation land. In its ninth full year of operations, Terrafirma maintained good standing with all regulators and completed a five-year audit by the Vermont Department of Financial Regulation. 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 Land Trust Alliance.

Terrafirma enhanced its financial stability in 2021. An independent actuary certified the reserves of $3,372,904 as adequate and reasonable to meet Terrafirma's unpaid claims liabilities. Total market value of all Terrafirma assets as of December 31, 2021 was $11,389,942 (compared to $10,094,158 for 2020), including subrogation receivables of $380,531 from three claims. Positive cash flow from operations brought total equity to over $8 million at the end of 2021. Gross written premium increased approximately 4% from $1,719,746 in 2020 to $1,789,106 in 2021.

Terrafirma fulfilled its charitable mission of helping land trusts defend their public liability for conservation lands by handling 299 claims during the 2021 policy year (14 covered and active, 6 denied, 32 successfully resolved, and 243 in voluntary resolution). Notification of possible problems remaining for 2021 may be filed with Terrafirma until April 30, 2022. Claims filed up to March 2, 2022 for the 2021 policy year total 299. Combined with the 1,253 claims handled in 2013 through 2020, Terrafirma has addressed 1,552 claims over the nine policy years with 921 cases successfully resolved including 92 with favorable court decisions. Claims follow historical trends including preserve and conservation easement trespass, vegetation removal, topography changes, minor unpermitted structures, unpermitted land divisions. Public access and water disputes are newly trending issues.

Risk balancing education and training, in collaboration with the Alliance, is an essential part of helping all land trusts with lasting conservation. Through participation in risk management training, Terrafirma land trusts claimed $28,576 in discounted premium for 352 land trusts for 2021. Of the total 453 accredited land trusts, 380 (83%) 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 542 even after new mergers of land trust
Terrafirma’s membership is comprised of 57% 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 54% in insured acres, 69% increase in insured parcels, and a 29% increase in insured land trusts not counting mergers over nine years.

In 2021 conservation easements continue to comprise the most insured rights with 29,527 (84%) of the enrolled 34,757 parcels from 48 states and D.C. The remainder are land owned (4,930), access easements (64), and trail easements (146) and deed restrictions (90). 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 545 land trust members, operates in 48 states plus D.C. and insures over 10.2 million acres — that is about one and a half times the size of Hawaii. 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 quick and simple pointers.