MOUNTAINTRUE

INDEPENDENT AUDITORS' REPORT
AND FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2024

CORLISS & SOLOMON PLLC

CERTIFIED PUBLIC ACCOUNTANTS

MountainTrue

Table of Contents

Year Ended December 31, 2024

CORLISS & SOLOMON PLLC

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
MountainTrue
Asheville, North Carolina

Opinion

We have audited the accompanying financial statements of MountainTrue (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related disclosures to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of MountainTrue as of December 31, 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. 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 MountainTrue 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 MountainTrue's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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 generally accepted auditing standards 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,

242 Charlotte Street, Ste. 1 | Asheville, NC 28801 | T: 828 236 0206 | F: 828 236 0209 | CERTIFIED PUBLIC ACCOUNTANTS

misrepresentations, or the override of internal control. Misstatements, including omissions, 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 generally accepted auditing standards, 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 MountainTrue'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 MountainTrue'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 MountainTrue's 2023 financial statements, and our report dated August 29, 2024, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Carliss & Solomon, PLLC

Asheville, North Carolina
September 20, 2025

MountainTrue

Statement of Financial Position

As of December 31, 2024

(With summarized comparative totals as of December 31, 2023)

	2024	2023
Assets		
Current Assets		
Cash and Cash Equivalents	$ 1,103,584	$ 371,723
Short-Term Investments	1,286,695	403,155
Grants and Contracts Receivable	544,866	305,777
Program Revenue Receivable	145,969	-
Contributions Receivable	23,159	69,000
Security Deposit	4,554	3,524
Prepaid Expenses	6,314	2,221
Total Current Assets	3,115,141	1,155,400
Long-Term Assets		
Long-Term Investments	174,064	513,163
Right of Use Lease Asset	73,955	90,719
Property and Equipment, Net	50,878	8,628
Total Long-Term Assets	298,897	612,510
Total Assets	**$ 3,414,038**	**$ 1,767,910**
Liabilities and Net Assets		
Current Liabilities		
Accounts Payable	$ 140,882	$ 11,571
Payroll Tax Liabilities	21,031	21,439
Accrued Vacation	55,977	48,751
Short-Term Lease Liability	39,086	47,311
Total Current Liabilities	256,976	129,072
Long-Term Liabilities		
Long-Term Lease Liability	36,174	41,705
Total Long-Term Liabilities	36,174	41,705
Total Liabilities	293,150	170,777
Net Assets		
Without Donor Restrictions	1,766,708	1,028,675
With Donor Restrictions	1,354,180	568,458
Total Net Assets	3,120,888	1,597,133
Total Liabilities and Net Assets	**$ 3,414,038**	**$ 1,767,910**

The accompanying disclosures are an integral part of these financial statements.

MountainTrue

Statement of Activities

Year Ended December 31, 2024

(With summarized comparative totals as of December 31, 2023)

	Without Donor Restrictions	With Donor Restrictions	Total 2024	Total 2023
Support and Revenue				
Contributions	$ 1,105,824	$ 1,286,925	$ 2,392,749	$ 1,355,157
Grants	497,164	408,690	905,854	404,280
Program Service Revenue	851,410	-	851,410	105,377
Membership	315,819	-	315,819	196,101
Event Income	51,980	-	51,980	76,296
Interest Income	50,002	-	50,002	30,746
Investment Gains/(Losses), Net	2,742	-	2,742	13,978
In Kind Revenue	26,221	-	26,221	-
Other Income	36,413	-	36,413	25,952
Net Assets Released from Restrictions	1,361,083	(1,361,083)	-	-
Total Support and Revenue	**4,298,658**	**334,532**	**4,633,190**	**2,207,887**
Expenses				
Program Services	3,031,657	-	3,031,657	1,798,328
Management and General	177,724	-	177,724	98,523
Fundraising	359,525	-	359,525	226,596
Total Expenses	**3,568,906**	**-**	**3,568,906**	**2,123,447**
Change in Net Assets before Other Changes in Net Assets	729,752	334,532	1,064,284	84,440
Other Changes in Net Assets				
Fiscal Sponsorship Activity, Net	8,281	451,190	459,471	(108,003)
Total Change in Net Assets	738,033	785,722	1,523,755	(23,563)
Net Assets, Beginning of Year	1,028,675	568,458	1,597,133	1,620,696
Net Assets, End of Year	**$ 1,766,708**	**$ 1,354,180**	**$ 3,120,888**	**$ 1,597,133**

The accompanying disclosures are an integral part of these financial statements.

MountainTrue

Statement of Functional Expenses

Year Ended December 31, 2024

(With summarized comparative totals as of December 31, 2023)

	Program Services	Management and General	Fundraising	Total 2024	Total 2023
Personnel					
Salaries	$ 1,029,617	$ 56,992	$ 173,687	$ 1,260,296	$ 1,247,037
Payroll Taxes	76,646	4,243	12,930	93,819	92,776
Health Insurance	123,231	6,820	20,787	150,838	136,088
Retirement	29,496	1,633	4,976	36,105	35,295
Total Personnel Expense	1,258,990	69,688	212,380	1,541,058	1,511,196
Board Expense	-	1,696	-	1,696	3,140
Communications	1,364	1,364	1,364	4,092	5,242
Conference and Training	18,113	5,297	2,083	25,493	20,583
Contract Services	1,453,428	5,881	17,689	1,476,998	192,968
Dues and Subscriptions	60,883	7,113	6,010	74,006	42,068
Equipment	65,145	1,850	1,850	68,845	47,920
Equipment Rental	2,109	2,111	2,110	6,330	5,437
Events	17,989	-	38,374	56,363	34,467
Insurance	-	11,786	-	11,786	5,517
Information Technology	399	398	398	1,195	7,641
Miscellaneous	12,816	540	1,858	15,214	11,392
Occupancy	27,839	26,963	26,964	81,766	79,094
Organization Sponsorships	1,098	-	325	1,423	1,728
Postage	2,667	502	6,000	9,169	7,743
Printing	9,001	729	15,710	25,440	24,858
Professional Fees	-	40,829	-	40,829	26,135
Promotional Merchandise	-	-	24,305	24,305	19,386
Supplies	1,531	710	394	2,635	1,384
Travel	76,363	267	1,711	78,341	72,239
Subtotal Expenses	3,009,735	177,724	359,525	3,546,984	2,120,138
Other Expenses					
In Kind Expense	12,221	-	-	12,221	-
Depreciation	9,701	-	-	9,701	3,309
Subtotal Other Expenses	21,922	-	-	21,922	3,309
Total Expenses	**$ 3,031,657**	**$ 177,724**	**$ 359,525**	**$ 3,568,906**	**$ 2,123,447**

The accompanying disclosures are an integral part of these financial statements.

MountainTrue

Statement of Cash Flows

Year Ended December 31, 2024

(With summarized comparative totals as of December 31, 2023)

	2024	2023
Cash Flows from Operating Activities		
Change in Net Assets During Year	$ 1,523,755	$ (23,563)
Adjustments to reconcile change in net assets to net cash provided or (used) by operating activities:		
Depreciation	9,701	3,309
Lease Adjustment	3,008	(1,401)
Investment Activity, Net	(49,341)	(41,315)
Stock Donation Received	(95,100)	(95,051)
Donated Assets	(14,000)	-
(Increase)/Decrease in Operating Assets:		
Grants Receivable	(239,089)	(155,185)
Program Revenue Receivable	(145,969)	-
Contributions Receivable	45,841	75,651
Sales Tax Receivable	-	1,446
Security Deposit	(1,030)	-
Prepaid Expense	(4,093)	(87)
Increase/(Decrease) in Operating Liabilities:		
Accounts Payable	129,311	(6,006)
Payroll Tax Liabilities	(408)	3,368
Accrued Vacation	7,226	12,053
Net Cash Provided/(Used) by Operating Activities	1,169,812	(226,781)
Cash Flows from Investing Activities		
Investment Purchases	(400,000)	(140,000)
Purchases of Equipment	(37,951)	(9,599)
Net Cash Used by Investing Activities	(437,951)	(149,599)
Net Change in Cash and Cash Equivalents	731,861	(376,380)
Cash and Cash Equivalents, Beginning of Year	371,723	748,103
Cash and Cash Equivalents, End of Year	**$ 1,103,584**	**$ 371,723**
Supplemental Disclosure:		
Donated Assets	$ 14,000	$ -

The accompanying disclosures are an integral part of these financial statements.

MountainTrue

Disclosures to the Financial Statement

Year Ended December 31, 2024

1. ***Description of the Organization, Corporate and Tax-Exempt Status***

MountainTrue is a non-profit organization that works with communities across 26 mountain counties in Western North Carolina and North Georgia and champions resilient forests, clean waters, and healthy communities. We are committed to keeping our mountain region a beautiful place to live, work and play. Our members protect our forests, clean up our rivers, plan vibrant and livable communities, and advocate for a sound and sustainable future for all.

Corporate and Tax-Exempt Status

MountainTrue is a not-for-profit corporation under the laws of the state of North Carolina and has been recognized as tax-exempt pursuant to Section 501(c)(3) of the Internal Revenue Code. Contributions to the organization qualify for the charitable contribution deduction under Section 170(b)(1)(a). The organization is also classified as a publicly supported organization under Section 509(a)(2). The organization receives its support principally through contributions and grants.

2. ***Summary of Significant Accounting Policies***

Basis of Accounting

The financial statements have been prepared on an accrual basis of accounting and conform to accounting principles generally accepted in the United States of America (U.S. GAAP), as applicable to not-for-profit organizations.

Financial Statement Presentation

The classification of the organization's net assets, and its support, revenue, and expenses is based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of two classes of net assets – without donor restrictions and with donor restrictions – be displayed in a statement of financial position and that the amounts of change in each of those classes of net assets be displayed in a statement of activities.

The classes of net assets are defined as follows:

> *Net Assets Without Donor Restrictions* – Includes net assets that are not subject to donor-imposed restrictions and that may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the organization's management and board of directors.
>
> *Net Assets With Donor Restrictions* - Includes net assets that are subject to restrictions imposed by donors or grantors. Some donor and grantor restrictions are temporary in nature, such as those with a specified purpose or a timeframe for expenditure established by the donor or grantor. Other donor-imposed restrictions are perpetual in nature, where the donor has stipulated the funds be maintained in perpetuity.

Cash and Cash Equivalents

The organization's cash consists of cash on deposit with banks. Cash equivalents represent money market funds or short-term investments with original maturities of three months or less from the date of purchase, except for those amounts that are held in the investment portfolio which are invested for long-term purposes.

Concentration of Credit Risk

Financial instruments that potentially subject the organization to concentrations of credit risk consist principally of cash and cash equivalents. The organization maintains its cash and cash equivalents in various bank accounts that, at times, may exceed FDIC federally insured limits. The organization's cash and cash equivalent accounts have been placed with high-credit quality financial institutions. The organization has not experienced, nor does it anticipate, any losses with respect to such accounts.

Leases

The organization follows Accounting Standards Update (ASU) No. 2016-02 Leases (Topic 842). The core principle of Topic 842 is that a lessee should recognize the assets and liabilities that arise from leases, except for short-term leases less than 12 months. The standard can have a material impact on the organization’s statement of financial position but does not have a material impact on the statement of activities and cash flows. The organization has no applicable leases, and accordingly, no impact on the financial statements presented.

Investments

The organization records investment purchases at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the statement of financial position. Net investment return/(loss) is reported in the statement of activities and consists of interest and dividend income and realized and unrealized capital gains and losses, net of investment expenses.

Accounts Receivable

Accounts receivable consist of amounts billed and recognized as program income. Accounts receivable are presented net of an allowance for credit losses, which is an estimate of amounts that may not be collectible. The organization separates accounts receivable into risk pools to help determine the amount of the allowance as of the statement of financial position date. This loss rate is based on management’s historical collection experience, adjusted for management’s expectations about current and future economic conditions.

Contributions and Grants Receivable

Contributions and grants receivable, without conditions, and expected to be collected within one year are recorded at net realizable value; those expected to be collected in more than one year are recorded at the present value of their future cash flows, using a risk-adjusted interest rate. Any provision for uncollectible receivables is estimated by management based on historical collection experience.

Property and Equipment

Property and equipment purchases are recorded at cost. Depreciation is provided over the estimated useful life of each class of depreciable asset and is computed using the straight-line method. The organization has adopted a capitalization threshold of $2,000 per item. Expenses for repairs and maintenance that do not improve or extend the life of an asset are expensed as incurred.

Contributions and Grants

Contributions and grants are recognized in support: (1) when the organization receives cash, securities or other assets from a donor or grantor, (2) when a donor conveys a promise to make a donation in the future, on an unconditional basis, and (3) when a grantor awards a grant to be paid in the future, on an unconditional basis. Contributions and grants with conditions, such as performance requirements, are not recognized until the conditions on which they depend have been substantially met.

Program Service Revenue
In accordance with U.S. GAAP, the organization follows *ASU 2014-09, Revenue from Contracts with Customers* (Topic 606), which requires an entity to recognize revenue to depict the transfer of goods or services to customers in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services. The organization's major sources of program service revenue are recognized as follows:

> Program Service Revenue consists primarily of contract revenue and payments received from the sale of river maps and from fees collected for paddle trail trip services provided by MountainTrue. Amounts received are recognized as revenue when the organization has met applicable performance obligations through the delivery of goods and services to the customers. Any amounts received in advance are treated as deferred revenue.
>
> Membership Dues - membership dues are billed annually and, for purposes of *ASU 2014-09*, are considered to be contributions without an exchange element. Membership dues are recognized in income when received on an unconditional basis. Dues are not deferred as of year-end for partially completed membership years.

In-Kind Contributions
The organization recognizes contributed goods and the use of facilities at estimated fair value on the date of receipt. Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased. When recognized, contributed services are reported at fair value.

Fair Value Measurements
Fair value is the price that would be received to sell an asset or the price that would be paid to transfer a liability in an orderly transaction between market participants at the measurement date. Certain valuation techniques are used to measure fair value. There are three broad levels as follows:

- *Level 1* – (the highest level) inputs are based on quoted prices in active markets for identical assets or liabilities that the organization has the ability to access at the measurement date. For example, securities traded in an active market are valued using Level 1 inputs.
- *Level 2* – inputs are observable inputs other than quoted prices, either directly or indirectly through corroboration with observable market data. If the asset or liability has a specified term, the Level 2 input must be observable for substantially the full term.
- *Level 3* – inputs are unobservable inputs for the asset or liability, meaning the inputs reflect the organization's own assumptions about the assumptions market participants would use in pricing the asset or liability, including inputs related to risk, which have been developed based on the best information available in the circumstances.

Conservation Easements
MountainTrue does not recognize in its financial statements the value of donated conservation easements it has received as part of its streamside protection and development work. This is an accepted industry practice among land trust organizations and other organizations that receive conservation easements in connection with their environmental work. As a by-product of its stream-bank restoration work, MountainTrue holds four conservation easements on small tracts of property bordering or accessing streams in the Watauga River watershed.

Fiscal Sponsorships
MountainTrue serves as a fiscal sponsor for several organizations. The missions of these organizations are aligned with MountainTrue, and the relationships are governed by separate agreements. MountainTrue retains control and discretion over the contributions and grants it receives as a fiscal sponsor. These funds are included in income net of expenses on the accompanying statement of activities. Any remaining balances at year-end are tracked as net assets with donor restrictions. See Disclosure 14 for further details.

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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

Functional Allocation of Expenses
The costs of program and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Certain categories of expenses that are attributable to more than one program or supporting function require management's allocation on a reasonable basis that is consistently applied. The primary allocation basis used by management for personnel expenses and applicable overhead expenses is estimated based on employee time and effort.

Income Taxes/Uncertain Tax Positions
MountainTrue is exempt from federal income taxes under 501(c)(3) of the Internal Revenue Code. Under the Code, however, income from certain activities not related to the organization's tax-exempt purpose may be subject to taxation as unrelated business income. The organization had no income from unrelated business activities in 2024 and was, therefore, not required to file Federal Form 990-T (Exempt Organization Business Income Tax Return). The organization believes that it has appropriate support for all tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements.

Summarized Comparative Data
The financial statements include certain prior year summarized comparative information. 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 the organization's audited financial statements for the year ended December 31, 2023, from which the summarized information was derived. Certain amounts in the prior-year financial statements have been reclassified to conform to the current year’s presentation.

3. ***Liquidity and Availability***
The organization’s liquidity management plan is to invest cash in excess of daily requirements in a money market account. The Board of Directors designates a portion of the operating surplus for future contingencies. This fund may be drawn upon, only with Board approval, to meet unexpected liquidity needs. Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, are comprised of the following: (See next page)

As of December 31:	2024	2023
Financial Assets at year end:		
Cash and Cash Equivalents	$ 1,103,584	$ 371,723
Investments	1,460,759	916,318
Grants and Other Receivables	713,994	374,777
Total Financial Assets	3,278,337	1,662,818
Less amounts not available to be used in one year:		
Fiscal Sponsor Restricted Balances	537,572	97,811
Board Designated Net Assets	487,390	463,396
Total not available to be used in one year	1,024,962	561,207
Financial assets available to meet general expenditures over the following year	$ 2,253,375	$ 1,101,611

MountainTrue's goal is generally to maintain financial assets to meet a minimum of 180 days of essential operating expenses.

4. ***Cash and Cash Equivalents***

Cash and cash equivalent amounts are shown in the list below.

As of December 31:	2024	2023
Checking Accounts	$ 514,876	$ 236,108
Money Market Accounts	69,753	83,235
Fiscal Sponsor Funds Account	518,786	52,230
Petty Cash	169	150
Total Cash and Cash Equivalents	$ 1,103,584	$ 371,723

As of December 31, 2024, the organization had exceeded the FDIC federally insured limit by a total of $703,255 at one financial institution. Management believes the organization is not exposed to any significant credit risk on its cash balances.

5. ***Investments***

Investments consist of funds held at a brokerage firm and certificates of deposit held at a financial institution and as follows:

As of December 31:	2024	2023
Money Funds	$ 1,286,695	$ 403,155
Certificates of Deposit	172,082	513,066
Stock	1,982	97
Total Investments	$ 1,460,759	$ 916,318

Activity during the year is as follows:

Balance as of December 31, 2023	$ 916,318
Purchases, Net	400,000
Unrealized Gain	19,890
Interest Income	47,481
Income Revinvested	(18,030)
Stock Contributions	95,100
Balance as of December 31, 2024	$ 1,460,759

6. *Grants and Contracts Receivable*

The grants receivable balance consists of foundation grants awarded and grant contracts completed in 2024. The balance was $544,866 and $305,777 as of December 31, 2024, and 2023, respectively. Management believes the amount is fully collectible.

7. *Contributions Receivable*

The contributions receivable balance was $23,159 and $69,000 as of December 31, 2024, and 2023, respectively. All of the 2024 balance are current and management believes all receivables are fully collectible and no allowance or present value discount is considered necessary.

8. *Program Receivable*

The program receivable balance consisted of dam removal contract revenue and had a balance of $145,969 and $0 as of December 31, 2024, and 2023, respectively. All of the balances are current and management believes all receivables are fully collectible and no allowance or present value discount is considered necessary.

9. *Property and Equipment*

Property and equipment consists of the following:

As of December 31:	2024	2023
Property and Equipment	$ 52,405	$ 53,259
Vehicles	22,853	8,853
Leasehold Improvements	8,802	8,802
Less: Accumulated Depreciation	(33,182)	(62,286)
Property and Equipment, Net	$ 50,878	$ 8,628

Depreciation expense was $9,701 and $3,309 for the years ended December 31, 2024, and 2023, respectively.

10. *Contract Services*

During 2024, the Organization engaged in multiple projects using contracted services. These projects included dam removals, invasive aquatic plant treatment, and septic repair within watersheds. As a result, contract services expenses were significantly higher in 2024 than in 2023.

11. *Lease Commitments*

MountainTrue has a two-year office lease for its main office space in Asheville, North Carolina ending December 31, 2025. During the year ended December 31, 2024, monthly rental payments were $2,850.

MountainTrue has a two-year office lease for offices in Murphy, North Carolina ending June 30, 2031. Terms call for monthly rental payments of $552, with a 2% annual increase.

The lease agreements are reflected as right of use operating lease assets and operating lease liabilities on the statement of financial position. The present value of the right of use operating lease asset and lease liability uses an accepted risk-free discount rate and accounts for lease and non-lease components as a single lease component. The assets and liabilities reflected on the financial statements for the right of use operating lease asset and lease liabilities were $73,955 and $75,260 as of December 31, 2024, respectively. For the years ended December 31, 2024, and 2023, the total rent expense for office space was $80,891 and $79,023, respectively. The weighted-average remaining lease term is 4.05 years, and the risk-free discount rate used is 3.5%. Required lease liabilities by year for the remainder of the lease term is as follows: (See next page)

For the Years Ended December 31:		
2025	$	40,891
2026		6,825
2027		6,961
2028		7,100
2029		7,242
Thereafter		11,117
Total Undiscounted Cash Flows		80,136
Less: Present Value Discount		(4,876)
Total Lease Liabilities	$	75,260

12. *Net Assets Without Donor Restrictions*

Net assets without donor restrictions totaled $1,752,713 and $1,028,675 as of December 31, 2024, and 2023, respectively. The Board designated a portion of these net assets for future contingencies and purposes. The Board's intention is to grow this fund to an amount representing six months of operating expenses. Board designated funds have no donor restrictions and are held in the investment accounts. Net assets designated by the Board were $487,390 and $463,396 as of December 31, 2024, and 2023, respectively.

13. *Net Assets With Donor Restrictions*

Net assets with donor restrictions were available for the following purposes:

As of December 31:		2024		2023
Organizing Program	$	200,000	$	-
French Broad Riverkeeper		142,000		146,597
High Country Region Office		65,000		70,000
Healthy Communities Program		24,228		84,000
Western Region		275,380		2,050
Time Restricted for Future Years		100,000		150,000
Other		10,000		-
Fiscally Sponsored Organizations		537,572		97,811
Total Net Assets with Donor Restrictions	$	1,354,180	$	568,458

14. *Multi-Year Conditional Grants*

MountainTrue received two multi-year promise-to-fund grants that are conditional upon the satisfaction of specific programmatic milestones detailed in the grant agreements. In total, the multi-year grant agreements have promises to give $460,376 during the year 2025. In accordance with U.S. GAAP, conditional grants and pledges are not recognized in income or in receivables until the applicable conditions are met. Accordingly, the amounts for fiscal year 2025 have not been recognized in the accompanying financial statements.

15. *Fiscal Sponsor Activity*

MountainTrue serves as fiscal sponsor for several organizations. Fiscal sponsor income, in the form of contributions and grants, and related expenses are netted on the statement of activities and presented as Fiscal Sponsor Activity, Net. Fiscal sponsor income and expenses by year are as follows:

For the Years Ended December 31:	2024	2023
Fiscal Sponsor Income:		
Contributions and Grants	$ 549,366	$ 301,032
Fiscal Sponsor Expenses:		
Program Activities	(89,895)	(395,445)
Fundraising	-	(13,590)
Fiscal Sponsor Activity, Net	$ 459,471	$ (108,003)

16. ***Fair Value Measurements***

Fair value of assets measured on a recurring basis on December 31, 2024, are as follows:

		Fair Value Measurements at Reporting Date Using		
Investments:	Fair Value	Level 1	Level 2	Level 3
Money Funds	$ 1,286,695	$ 1,286,695	$ -	$ -
Certificates of Deposit	172,082	172,082	-	-
Stock	1,982	1,982	-	-
Total	$ 1,460,759	$ 1,460,759	$ -	$ -

17. ***Retirement Plan***

MountainTrue offers a Simple IRA plan to eligible employees. It matches employee contributions up to three percent of salary. For the years ended December 31, 2024, and 2023, the organization contributed a total of $36,105 and $35,295, respectively.

18. ***Subsequent Events***

On June 19, 2025, MountainTrue was awarded $10,000,000 from the North Carolina Department of Environmental Equality (NCDEQ) for Helene debris and sedimentation removal.

Subsequent events have been evaluated through September 20, 2025, which is the date the financial statements were available to be issued.