

**Casey Trees and Casey Tree Farm, LLC**

Consolidated Financial Statements  
Including Uniform Guidance Reports  
and Independent Auditor's Report

June 30, 2025 and 2024

# **Casey Trees and Casey Tree Farm, LLC**

## **Consolidated Financial Statements**

June 30, 2025 and 2024

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**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of  
Casey Trees and Casey Tree Farm, LLC

**Report on the Audit of the Consolidated Financial Statements*****Opinion***

We have audited the accompanying consolidated financial statements of Casey Trees and Casey Tree Farm, LLC (collectively, “the Organization”), which comprise the consolidated statements of financial position as of June 30, 2025 and 2024; the related consolidated statements of activities, functional expenses, and cash flows for the years then ended; and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years 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) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Organization 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 Consolidated Financial Statements***

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

***Responsibilities of Management for the Consolidated Financial Statements (continued)***

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

***Auditor's Responsibilities for the Audit of the Consolidated Financial Statements***

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 and *Government 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, 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 consolidated financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 the Organization'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

***Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)***

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.

***Supplementary and Other Information***

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2025 on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

*Rogers + Company PLLC*

Vienna, Virginia  
December 15, 2025

**Casey Trees and Casey Tree Farm, LLC**

Consolidated Statements of Financial Position  
June 30, 2025 and 2024

	2025	2024
<b>Assets</b>		
Cash	\$ 1,693	\$ 60,671
Accounts receivable	379,681	528,105
Contributions and grants receivable	761,065	804,022
Accrued interest receivable	167,223	194,431
Investments	185,413,856	170,876,423
Prepaid expenses	144,182	177,307
Tree inventory	665,628	609,246
Beneficial interest in life estate, net	644,861	624,524
Property and equipment, net	19,374,627	19,486,365
Right-of-use assets – operating leases	39,395	12,579
Deferred compensation asset	376,591	256,183
Deposits	10,804	22,560
 Total assets	 \$ 207,979,606	 \$ 193,652,416
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Accounts payable	\$ 214,095	\$ 195,686
Accrued expenses	162,522	386,328
Deferred revenue	2,057	5,000
Lease liabilities – operating leases	39,411	13,302
Deferred compensation liability	376,591	256,183
Security deposits	2,000	-
 Total liabilities	 796,676	 856,499
<b>Net Assets</b>		
Without donor restrictions:		
Undesignated	156,837,579	143,315,085
Board-designated	48,300	48,300
 Total without donor restrictions	 156,885,879	 143,363,385
With donor restrictions:		
Purpose and time restricted	231,138	121,069
Perpetual in nature	50,065,913	49,311,463
 Total with donor restrictions	 50,297,051	 49,432,532
 Total net assets	 207,182,930	 192,795,917
 Total liabilities and net assets	 \$ 207,979,606	 \$ 193,652,416

*See accompanying notes.*

**Casey Trees and Casey Tree Farm, LLC**

Consolidated Statement of Activities  
For the Year Ended June 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Operating Revenue and Support</b>			
Contributions and grants	\$ 1,845,098	\$ 356,533	\$ 2,201,631
Federal grants	1,812,606	-	1,812,606
Contracts and program services	878,199	-	878,199
Tree sales	573,627	-	573,627
Rental income	24,523	-	24,523
Other revenue	9,155	-	9,155
Released from restrictions	246,464	(246,464)	-
 Total operating revenue and support	 5,389,672	 110,069	 5,499,741
<b>Expenses</b>			
Program services:			
Tree operations	3,643,073	-	3,643,073
Casey Tree Farm	1,949,732	-	1,949,732
Education	1,127,696	-	1,127,696
Policy and land conservation	636,901	-	636,901
Communications	869,755	-	869,755
Program development	166,709	-	166,709
 Total program services	 8,393,866	 -	 8,393,866
Supporting services:			
General and administrative	1,539,021	-	1,539,021
Fundraising	378,747	-	378,747
 Total supporting services	 1,917,768	 -	 1,917,768
 Total expenses	 10,311,634	 -	 10,311,634
 Change in operating net assets	 (4,921,962)	 110,069	 (4,811,893)
<b>Non-Operating Activities</b>			
Interest and dividend income	2,408,129	-	2,408,129
Net realized and unrealized gain	16,198,885	754,450	16,953,335
Investment management fees	(155,358)	-	(155,358)
UBIT expenses	(7,200)	-	(7,200)
 Total non-operating activities	 18,444,456	 754,450	 19,198,906
<b>Change in Net Assets</b>	13,522,494	864,519	14,387,013
<b>Net Assets, beginning of year</b>	143,363,385	49,432,532	192,795,917
<b>Net Assets, end of year</b>	<b>\$ 156,885,879</b>	<b>\$ 50,297,051</b>	<b>\$ 207,182,930</b>

**Casey Trees and Casey Tree Farm, LLC**

Consolidated Statement of Activities  
For the Year Ended June 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Operating Revenue and Support</b>			
Contributions and grants	\$ 1,614,268	\$ 231,978	\$ 1,846,246
Federal grants	474,402	-	474,402
Contracts and program services	854,531	-	854,531
Tree sales	376,407	-	376,407
In-kind contributions	200,000	-	200,000
Rental income	24,549	-	24,549
Other revenue	13,418	-	13,418
Released from restrictions	183,013	(183,013)	-
Total operating revenue and support	<u>3,740,588</u>	<u>48,965</u>	<u>3,789,553</u>
<b>Expenses</b>			
Program services:			
Tree operations	3,420,345	-	3,420,345
Casey Tree Farm	2,013,625	-	2,013,625
Education	902,105	-	902,105
Policy and land conservation	426,079	-	426,079
Communications	902,282	-	902,282
Program development	218,380	-	218,380
Total program services	<u>7,882,816</u>	<u>-</u>	<u>7,882,816</u>
Supporting services:			
General and administrative	1,395,260	-	1,395,260
Fundraising	305,087	-	305,087
Total supporting services	<u>1,700,347</u>	<u>-</u>	<u>1,700,347</u>
Total expenses	<u>9,583,163</u>	<u>-</u>	<u>9,583,163</u>
Change in operating net assets	(5,842,575)	48,965	(5,793,610)
<b>Non-Operating Activities</b>			
Interest and dividend income	3,341,130	-	3,341,130
Net realized and unrealized gain	16,037,006	-	16,037,006
Investment management fees	(144,539)	-	(144,539)
UBIT expenses	(15,600)	-	(15,600)
Total non-operating activities	<u>19,217,997</u>	<u>-</u>	<u>19,217,997</u>
<b>Change in Net Assets</b>			
13,375,422	48,965	13,424,387	
<b>Net Assets, beginning of year</b>	<u>129,987,963</u>	<u>49,383,567</u>	<u>179,371,530</u>
<b>Net Assets, end of year</b>	<u>\$ 143,363,385</u>	<u>\$ 49,432,532</u>	<u>\$ 192,795,917</u>

**Casey Trees and Casey Tree Farm, LLC**

Consolidated Statement of Functional Expenses  
For the Year Ended June 30, 2025

	Program Services							Supporting Services				Total	
	Tree Operations	Casey Tree Farm	Policy and Land Conservation			Program Development	Total Program Services	General and Administrative	Fundraising	Total Supporting Services			
			Education	Communi-cations	Program								
Salaries	\$ 2,018,862	\$ 724,659	\$ 348,895	\$ 282,669	\$ 356,622	\$ 40,590	\$ 3,772,297	\$ 875,733	\$ 192,500	\$ 1,068,233	\$ 4,840,530		
Employee benefits	495,475	177,848	85,627	69,374	87,523	9,962	925,809	214,925	47,244	262,169	1,187,978		
Payroll taxes	165,778	59,505	28,649	23,211	29,284	3,333	309,760	71,910	15,807	87,717	397,477		
Depreciation and amortization	84,128	375,048	21,992	12,421	16,962	3,251	513,802	24,836	7,386	32,222	546,024		
Office expenses	92,784	91,042	29,450	8,562	18,181	2,075	242,094	52,208	19,339	71,547	313,641		
Tree planting and supplies	375,296	218,681	-	-	-	-	593,977	-	-	-	593,977		
Information technology	71,515	17,153	11,832	7,205	27,940	1,076	136,721	44,952	21,248	66,200	202,921		
Building maintenance and outfitting	138,082	88,727	12,997	7,341	11,574	1,921	260,642	18,450	4,365	22,815	283,457		
Consulting	41,392	33,690	20,042	12,892	73,492	-	181,508	25,092	2,800	27,892	209,400		
Professional fees	74,258	82,979	13,004	37,440	96,966	16,172	320,819	182,542	53,726	236,268	557,087		
Grants and sponsorships	-	100	541,252	167,464	-	85,100	793,916	-	-	-	793,916		
Conferences, conventions, and meetings	1,631	2,199	1,738	3,459	73,216	1,553	83,796	6,570	214	6,784	90,580		
Travel	27,098	41,955	9,538	4,081	6,770	1,077	90,519	11,705	330	12,035	102,554		
Vehicle maintenance	55,892	35,622	375	212	289	55	92,445	514	126	640	93,085		
Printing and publishing	882	524	2,137	570	7,948	544	12,605	1,466	12,539	14,005	26,610		
Advertising and promotion	-	-	168	-	62,988	-	63,156	-	1,123	1,123	64,279		
Other	-	-	-	-	-	-	-	8,118	-	8,118	8,118		
<b>Total Expenses</b>	<b>\$ 3,643,073</b>	<b>\$ 1,949,732</b>	<b>\$ 1,127,696</b>	<b>\$ 636,901</b>	<b>\$ 869,755</b>	<b>\$ 166,709</b>	<b>\$ 8,393,866</b>	<b>\$ 1,539,021</b>	<b>\$ 378,747</b>	<b>\$ 1,917,768</b>	<b>\$ 10,311,634</b>		

**Casey Trees and Casey Tree Farm, LLC**

Consolidated Statement of Functional Expenses  
For the Year Ended June 30, 2024

	Program Services							Supporting Services				Total	
	Tree Operations	Casey Tree Farm	Policy and Land Conservation			Program Development	Total Program Services	General and Administrative	Fundraising	Total Supporting Services			
			Education	Communications	Program Development								
Salaries	\$ 1,988,636	\$ 779,743	\$ 355,370	\$ 291,955	\$ 406,723	\$ 38,717	\$ 3,861,144	\$ 757,190	\$ 168,639	\$ 925,829	\$ 4,786,973		
Employee benefits	447,523	175,474	79,973	65,702	91,529	8,713	868,914	170,398	37,951	208,349	1,077,263		
Payroll taxes	152,419	59,763	27,237	22,377	31,173	2,967	295,936	58,035	12,925	70,960	366,896		
Depreciation and amortization	90,455	356,814	19,762	9,339	19,745	4,813	500,928	31,395	6,690	38,085	539,013		
Office expenses	88,843	93,776	23,709	8,491	20,790	2,752	238,361	97,306	19,428	116,734	355,095		
Tree planting and supplies	287,675	318,323	-	-	-	-	605,998	-	-	-	605,998		
Information technology	70,440	18,117	10,820	6,078	43,196	1,502	150,153	37,359	13,297	50,656	200,809		
Building maintenance and outfitting	106,937	114,008	9,895	4,652	10,359	2,397	248,248	16,313	3,332	19,645	267,893		
Consulting	33,803	21,647	17,484	6,413	65,629	138	145,114	36,861	192	37,053	182,167		
Professional fees	93,460	15,264	11,011	5,434	87,341	2,682	215,192	177,056	24,878	201,934	417,126		
Grants and sponsorships	-	1,541	310,816	-	-	150,000	462,357	572	-	572	462,929		
Conferences, conventions, and meetings	2,483	3,580	1,383	831	61,393	1,105	70,775	3,754	3,135	6,889	77,664		
Travel	26,507	33,311	28,007	4,048	1,351	1,518	94,742	5,345	322	5,667	100,409		
Vehicle maintenance	29,065	21,773	549	260	549	134	52,330	873	186	1,059	53,389		
Printing and publishing	1,099	491	4,516	499	6,578	42	13,225	2,353	10,422	12,775	26,000		
Advertising and promotion	1,000	-	1,573	-	55,926	900	59,399	450	3,690	4,140	63,539		
<b>Total Expenses</b>	<b>\$ 3,420,345</b>	<b>\$ 2,013,625</b>	<b>\$ 902,105</b>	<b>\$ 426,079</b>	<b>\$ 902,282</b>	<b>\$ 218,380</b>	<b>\$ 7,882,816</b>	<b>\$ 1,395,260</b>	<b>\$ 305,087</b>	<b>\$ 1,700,347</b>	<b>\$ 9,583,163</b>		

**Casey Trees and Casey Tree Farm, LLC**

Consolidated Statements of Cash Flows  
For the Years Ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
<b>Cash Flows from Operating Activities</b>		
Change in net assets	\$ 14,387,013	\$ 13,424,387
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation and amortization	546,024	539,013
Net realized and unrealized gain on investments	(16,953,335)	(16,037,006)
Change in value of life estate interest discount	(20,337)	(20,337)
Amortization of right-of-use asset – operating lease	9,251	4,689
Loss on disposal of property and equipment	8,116	484
Change in operating assets and liabilities:		
Decrease (increase) in:		
Accounts receivable	148,424	(344,828)
Contributions and grants receivable	42,957	(307,173)
Accrued interest receivable	27,208	(192,975)
Prepaid expenses	33,125	(32,920)
Tree inventory	(56,382)	(56,985)
Deferred compensation asset	(120,408)	(116,092)
Deposits	11,756	(3,555)
Increase (decrease) in:		
Accounts payable	18,409	(14,729)
Accrued expenses	(223,806)	256,754
Lease liabilities – operating leases	(9,958)	(4,924)
Deferred compensation liability	120,408	116,092
Deferred revenue	(2,943)	5,000
Security deposits	2,000	-
Net cash used in operating activities	<u>(2,032,478)</u>	<u>(2,785,105)</u>
<b>Cash Flows from Investing Activities</b>		
Purchases of property and equipment	(442,402)	(447,455)
Purchases of investments	(9,685,223)	(13,374,494)
Proceeds from sale of investments	<u>12,101,125</u>	<u>16,563,206</u>
Net cash provided by investing activities	<u>1,973,500</u>	<u>2,741,257</u>
<b>Net Decrease in Cash</b>	<u>(58,978)</u>	<u>(43,848)</u>
<b>Cash, beginning of year</b>	<u>60,671</u>	<u>104,519</u>
<b>Cash, end of year</b>	<u>\$ 1,693</u>	<u>\$ 60,671</u>
<b>Supplementary Disclosure of Cash Flow Information</b>		
Cash paid for income taxes	<u>\$ 7,200</u>	<u>\$ 15,600</u>

# **Casey Trees and Casey Tree Farm, LLC**

## **Notes to Consolidated Financial Statements** **June 30, 2025 and 2024**

### **1. Nature of Operations**

Casey Trees was organized by the Garden Club of America (GCA) in 2001 to accept a permanently restricted endowment granted by the Eugene B. Casey Foundation of Gaithersburg, Maryland. Casey Trees is recognized as a charitable organization under Section 501(c)(3) of the Internal Revenue Code (IRC), and is not a private foundation due to its qualification as a supporting organization under Section 509(a)(3). Casey Trees provides support to GCA through its reforestation project in Washington, D.C. Casey Trees was previously known as the Casey Trees Endowment Fund before changing its name during the year ended June 30, 2011.

The mission of Casey Trees is to restore, enhance, and protect the tree canopy of the nation's capital. Income from the endowment represents a portion of Casey Tree's overall revenue and is to be used to support the purposes of Casey Trees. If Casey Trees ceases operations, loses its tax-exempt status, or attainment of its purpose under the terms of the endowment becomes otherwise impractical, then any remaining endowment fund shall be distributed to the Salvation Army, Washington, D.C.

Casey Tree Farm, LLC ("Casey Tree Farm"), a single member limited liability company, was formed in May 2008 in Virginia. The purpose of Casey Tree Farm is to manage and otherwise deal with real estate and property, to grow trees, to conduct tree research, and to operate any other lawful business as may be approved by Casey Trees.

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

#### Principles of Consolidation

Casey Trees maintains a controlling financial interest in Casey Tree Farm, which was established as a single member liability company to manage real estate, property, and tree farming operations of Casey Trees. These consolidated entities are collectively referred to as "the Organization" in the accompanying notes to the consolidated financial statements. All significant intercompany transactions have been eliminated in the consolidation.

#### Basis of Accounting and Presentation

The Organization's consolidated financial statements are prepared on the accrual basis of accounting.

## **Casey Trees and Casey Tree Farm, LLC**

### Notes to Consolidated Financial Statements June 30, 2025 and 2024

## **2. Summary of Significant Accounting Policies (continued)**

### Basis of Accounting and Presentation (continued)

Net assets are reported based on the presence or absence of donor-imposed restrictions in the following classes:

- *Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. Included in net assets without donor restrictions are Board-designated net assets set aside for legal defense, as described in Note 11.
- *Net Assets With Donor Restrictions* – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

### Fiscal Sponsorship

The Organization provides fiscal sponsorship and organizational services to certain projects. All financial activity of fiscal sponsored projects is aggregated for consolidated financial statement purposes. The fiscal sponsorship projects are legally a part of the Organization until projects obtain their own 501(c)(3) status or upon termination of the contract.

### Accounts Receivable

Accounts receivable are recorded at net realizable value and are all due in less than one year. Accounts receivable are presented net of an allowance for credit losses resulting from the inability of customers to make required payments. The allowance for credit losses is based upon historical loss experience in combination with current economic conditions and a forecast of future economic conditions. Any change in the assumptions used in analyzing a specific account receivable might result in an additional allowance for credit losses being recognized in the period in which the change occurs. The Organization historically has insignificant write-offs due to bad debts, and current conditions indicate all receivables are fully collectible. Therefore, no allowance for credit losses has been recognized at June 30, 2025 and 2024.

## **Casey Trees and Casey Tree Farm, LLC**

### Notes to Consolidated Financial Statements June 30, 2025 and 2024

#### **2. Summary of Significant Accounting Policies (continued)**

##### Contributions and Grants Receivable

Contributions and grants receivable are deemed to be fully collectible and are reflected at either net realizable value or at net present value based on projected cash flows. At June 30, 2025 and 2024, all grants and contributions receivable were collectible within one year.

##### Investments

Investments consist of money market funds, mutual funds, and limited partnership interests. Investments in marketable securities are recorded at fair value based on quoted market prices. Interests in limited partnerships are reported at net asset value (NAV) as a practical expedient to fair value.

The interests in limited partnerships are redeemable by the Organization at NAV under the original terms of the limited partnership agreements. It is possible that such redemptions may be restricted or eliminated by the limited partnerships and their underlying funds and related agreements. Due to the nature of the investments held by the limited partnerships, changes in market conditions and economic environment may significantly impact the NAV of the limited partnerships and the resulting fair value as reported by the Organization. In addition, changes to any liquidity provisions of the underlying funds of the limited partnerships may significantly impact the fair value of the Organization's limited partnership interests.

Although a secondary market exists for the underlying funds of the limited partnerships, it is not active and individual transactions are typically not observable. When transactions occur in this limited secondary market, they may occur at discounts to the reported NAV. If the redemption rights in the underlying funds were restricted or eliminated and the limited partnerships were to sell their underlying investments in the secondary market, it is reasonably possible that a buyer in this secondary market may require a significant discount to the reported NAV. In addition, the underlying funds in which the limited partnerships invest may restrict the transferability of the limited partnerships' interests. Furthermore, the limited partnerships may restrict the transferability of the Organization's interests. In light of such restrictions imposed, the investments in these limited partnerships should be viewed as illiquid and subject to liquidity risk.

## **Casey Trees and Casey Tree Farm, LLC**

### Notes to Consolidated Financial Statements June 30, 2025 and 2024

#### **2. Summary of Significant Accounting Policies (continued)**

##### Investments (continued)

Interest and dividends, realized and unrealized gains and losses, along with investment management fees, are reported as non-operating activities in the accompanying consolidated statements of activities. The cost of investments sold is determined by use of the average cost method on the trade date.

##### Tree Inventory

The Organization's tree inventory consists of various species of sustainably-grown trees that are available for wholesale purchase. Trees are planted and grown at the nursery located at the Casey Tree Farm. Tree sales support the Organization's programmatic activities. Tree inventory is valued by a calculation of the average price of new seedlings over a historical five-year period. Inventory counts and tree measurements based on tree caliper are performed twice per year.

##### Property and Equipment

Property and equipment with an original cost exceeding \$2,500 and a projected useful life exceeding one year are capitalized and recorded at cost. Land is capitalized at its allocable cost basis and is not subject to depreciation. The allocable cost of buildings has been capitalized, and related costs of renovations and improvements are capitalized during the construction phase. The buildings are subject to depreciation at the point that they are put into service for their intended use. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets, which range from three to 12 years for property and equipment and 39.5 years for buildings. Construction in progress is stated at cost and is not depreciated until completed and ready for its intended use.

##### Operating Leases

The Organization determines if an arrangement is a lease at inception. Operating leases are included in right-of-use (ROU) assets, which represent the Organization's right to use underlying assets for the lease terms, and lease liabilities represent the Organization's obligations to make lease payments arising from leases. Operating ROU lease assets and liabilities are recognized at the commencement date based on the present value of lease payments over the lease terms. As the Organization's leases do not provide implicit rates, the Organization used a risk-free rate based on the information available at the commencement date in determining the present value of lease payments.

## **Casey Trees and Casey Tree Farm, LLC**

### Notes to Consolidated Financial Statements June 30, 2025 and 2024

## **2. Summary of Significant Accounting Policies (continued)**

### Revenue Recognition

#### *Revenue Accounted for in Accordance with Contribution Accounting*

All unconditional contributions and grants are considered to be available for unrestricted use unless specifically restricted by the donor or time period. The Organization reports contributions as restricted support if received with donor stipulations that limit their use to a specific purpose or time. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions. Net assets with donor restrictions are reported as net assets without donor restrictions if the restrictions are met in the same period as received.

Conditional contributions contain a donor-imposed condition that represents a barrier that must be overcome before the Organization is entitled to the assets transferred or promised. Failure to overcome the barrier gives the donor a right of return of the assets it has transferred or gives the promisor a right of release from its obligation to transfer its assets. Additionally, the Organization has agreements with government agencies that contain substantial conditions that must be met prior to recognition of revenue. The donor-imposed conditions primarily consist of qualifying expenditures that must be incurred by the Organization before the governmental agencies will reimburse these expenditures. Conditional contributions are recognized as revenue, either with or without donor restrictions, when donor-imposed conditions are substantially met, and any barriers are overcome. Donor restrictions are also satisfied when qualifying expenditures are incurred for the donor-specified program. There were no refundable advances or deferred revenue in the accompanying consolidated statements of financial position relating to conditional revenue from government agencies at June 30, 2025 and 2024.

#### *Revenue Accounted for as Contracts with Customers*

The Organization generates revenue from sale of both services and products. Revenue is recognized when the Organization satisfies a performance obligation by transferring a promised good to, or performing a service for, a customer. The amount of revenue recognized reflects the consideration management expects to receive in exchange for the services or products, or for satisfying distinct performance obligations.

## **Casey Trees and Casey Tree Farm, LLC**

### Notes to Consolidated Financial Statements June 30, 2025 and 2024

#### **2. Summary of Significant Accounting Policies (continued)**

##### Revenue Recognition (continued)

###### *Revenue Accounted for as Contracts with Customers (continued)*

Revenue from contracts and program services is related to service contracts with customers to provide tree planting and tree care services, consultation services, and educational programs. Program service fees are set by contracts established with customers. Program service fees revenue is recognized at the point in time the program is provided.

Revenue from sales of trees is recognized at the time of purchase.

Revenue from hosting special events is recognized as performance obligations are satisfied or at the time of the event.

Rental revenue from tenants to lease space at the Casey Tree Farm includes monthly rental payments and is recognized in the period the property is in use.

##### In-Kind Contributions

The value of contributions that enhance a nonfinancial asset, which are considered specialized and can be estimated, and that would have been purchased if not donated, is reflected in the accompanying consolidated statements of activities as in-kind contributions. In-kind contributions include services, donated event facilities, and donated land that benefit both program and supporting services.

In-kind services and donated event facilities are recognized as both revenue and expense in the consolidated statements of activities at their estimated fair value, as provided by the donor, at the date of receipt, or at the calculated fair value of the property during the period it is used. Donated land is recognized as revenue in the consolidated statements of activities and recorded as property and equipment in the accompanying statements of financial position at its estimated fair value, as provided by the donor, at the date of receipt.

During the year ended June 30, 2024, the Organization received in-kind services and donated event facilities with an estimated fair value of \$5,000, as well as donated land valued at \$195,000.

## **Casey Trees and Casey Tree Farm, LLC**

### Notes to Consolidated Financial Statements June 30, 2025 and 2024

## **2. Summary of Significant Accounting Policies (continued)**

### Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the consolidated statements of activities. The consolidated statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

### Measure of Operations

The Organization includes in its measure of operations all revenues and expenses that are an integral part of its programs and supporting activities, and excludes interest and dividend income, realized and unrealized gains and losses, investment management fees on investments, and unrelated business income tax (UBIT) expenses.

### Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes, as well as disclosures of contingent assets and liabilities. Significant items subject to such estimates and assumptions include the carrying value of nontraditional investments. Actual results could differ from those estimates.

### Advertising and Promotion Costs

The Organization expenses advertising and promotion costs as incurred.

### Reclassifications

Certain amounts in the 2024 consolidated financial statements have been reclassified to conform to the 2025 presentation. These reclassifications have no effect on the change in net assets previously reported.

### Subsequent Events

In preparing these consolidated financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through December 15, 2025, the date the consolidated financial statements were available to be issued.

## **Casey Trees and Casey Tree Farm, LLC**

### Notes to Consolidated Financial Statements June 30, 2025 and 2024

#### **3. Liquidity and Availability**

Financial assets available within one year of the consolidated statements of financial position date to meet cash needs for general expenditures are as follows as of June 30:

	<u>2025</u>	<u>2024</u>
Cash	\$ 1,693	\$ 60,671
Accounts receivable	379,681	528,105
Contributions and grants receivable	761,065	804,022
Accrued interest receivable	167,223	194,431
Short-term investments	<u>163,401,265</u>	<u>148,626,031</u>
 Total financial assets	 164,710,927	 150,213,260
Less: restricted by donors for purpose and time	(231,138)	(121,069)
Less: restricted by donors in perpetuity	<u>(50,065,913)</u>	<u>(49,311,463)</u>
 Total available for general expenditures	 <u>\$ 114,413,876</u>	 <u>\$ 100,780,728</u>

The Organization structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. As part of the Organization's liquidity management plan, cash in excess of daily requirements is invested in short-term investments and money market funds. The endowment fund consists of donor-restricted endowment corpus and accumulated endowment earnings. Income from donor-restricted endowments is available for operating activities within annual distribution limits. The donor-restricted endowment corpus is not available for general expenditures.

#### **4. Concentrations of Credit Risk**

Financial instruments that potentially subject the Organization to significant concentrations of credit risk consist of cash and investments. The Organization maintains cash deposit and transaction accounts, along with investments, with various financial institutions and these values, from time to time, exceed insurable limits under the Federal Deposit Insurance Corporation (FDIC) and Securities Investor Protection Corporation (SIPC). The Organization has not experienced any credit losses on its cash and investments to date as it relates to FDIC and SIPC insurance limits. Management periodically assesses the financial condition of these financial institutions and believes that the risk of any credit loss is minimal.

## Casey Trees and Casey Tree Farm, LLC

### Notes to Consolidated Financial Statements June 30, 2025 and 2024

#### 5. Investments

Investments consist of the following at June 30:

	<u>2025</u>	<u>2024</u>
Money market funds	\$ 3,139,681	\$ 2,120,610
Mutual funds	160,261,584	146,505,421
Alternative investments	<u>22,012,591</u>	<u>22,250,392</u>
 Total investments	 <u>\$ 185,413,856</u>	 <u>\$ 170,876,423</u>

Net investment return consists of the following for the years ended June 30:

	<u>2025</u>	<u>2024</u>
Interest and dividend income	\$ 2,408,129	\$ 3,341,130
Realized gain	3,099,191	6,740,753
Unrealized gain	13,854,144	9,296,253
Less: investment management fees	<u>(155,358)</u>	<u>(144,539)</u>
 Total investment return, net	 <u>\$ 19,206,106</u>	 <u>\$ 19,233,597</u>

#### 6. Fair Value Measurements

The Organization follows Financial Accounting Standards Board Accounting Standards Codification 820, *Fair Value Measurements and Disclosures*, for its financial assets. This standard establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value, and requires an entity to maximize the use of observable inputs (such as quoted prices in active markets) and minimize the use of unobservable inputs (such as appraisals or other valuation techniques) to determine fair value.

The categorization of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the entity's perceived risk of that instrument. The inputs used in measuring fair value are categorized into three levels.

## Casey Trees and Casey Tree Farm, LLC

### Notes to Consolidated Financial Statements June 30, 2025 and 2024

#### 6. Fair Value Measurements (continued)

Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and liabilities and have the highest priority. Level 2 is based upon observable inputs other than quoted market prices, and Level 3 is based on unobservable inputs. The Organization recognizes transfers between levels in the fair value hierarchy at the end of the reporting period. In general, and where applicable, the Organization uses quoted prices in active markets for identical assets to determine fair value. This pricing methodology applies to Level 1 investments. The Organization considers observable data to be the market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. The Organization used the following methods and significant assumptions to estimate fair value of assets recorded at fair value:

*Money Market and Mutual Funds:* Fair value of the Organization's money market, equity mutual funds, and fixed income mutual funds is determined based on quoted market prices and is classified as Level 1.

*Alternative Investments:* The Organization's alternative investments in funds valued based on NAV as a practical expedient for fair value include pooled investment, private equity funds, and hedge funds.

Alternative investments are measured at NAV per share (or its equivalent) using the practical expedient, and have not been categorized in the fair value hierarchy. The fair value amounts presented in the above tables are intended to permit reconciliation of the fair value hierarchy to the amounts present in the accompanying consolidated statements of financial position.

The following table presents the Organization's fair value hierarchy for those investments measured on a recurring basis at June 30, 2025:

	Level 1	Level 2	Level 3	NAV	Total
Money market funds	\$ 3,139,681	\$ -	\$ -	\$ -	\$ 3,139,681
Mutual funds:					
Equity	115,681,981	-	-	-	115,681,981
Fixed income	44,579,603	-	-	-	44,579,603
Alternative investments:					
Pooled funds	-	-	-	2,721,355	2,721,355
Hedge funds	-	-	-	9,721,351	9,721,351
Private equity funds	-	-	-	9,569,885	9,569,885
Total investments	\$ 163,401,265	\$ -	\$ -	\$ 22,012,591	\$ 185,413,856

## Casey Trees and Casey Tree Farm, LLC

### Notes to Consolidated Financial Statements June 30, 2025 and 2024

#### 6. Fair Value Measurements (continued)

The following table presents the Organization's fair value hierarchy for those investments measured on a recurring basis at June 30, 2024:

	Level 1	Level 2	Level 3	NAV	Total
Money market funds	\$ 2,120,610	\$ -	\$ -	\$ 2,120,610	
Mutual funds:					
Equity	103,964,841	-	-	-	103,964,841
Fixed income	42,540,580	-	-	-	42,540,580
Alternative investments:					
Pooled funds	-	-	-	4,878,638	4,878,638
Hedge funds	-	-	-	9,783,505	9,783,505
Private equity funds	-	-	-	7,588,249	7,588,249
Total investments	<u>\$ 148,626,031</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,250,392</u>	<u>\$ 170,876,423</u>

The following table summarizes the nature of the Organization's alternative investments in funds valued based on NAV as a practical expedient and its ability to redeem these funds as of June 30, 2025:

	NAV	Unfunded Commitments	Redemption Frequency	Redemption Notice
Pooled investment funds (a):				
White Oak Fixed Income Fund	\$ 2,721,355	\$ -	Quarterly	90 days
Private equity funds (b):				
Portfolio Advisors Private Equity Fund VII L.P.	630,308	295,203	Not eligible	Not eligible
Portfolio Advisors Private Equity Fund VI L.P.	118,896	205,092	Not eligible	Not eligible
HarbourVest Partners Co-Investment Fund IV L.P.	1,364,661	382,157	Not eligible	Not eligible
HarbourVest Partners Direct Fund L.P.	167,196	32,290	Not eligible	Not eligible
H.I.G. Middle Market LBO Fund	1,085,385	325,591	Not eligible	Not eligible
GLASFunds SPC	13,196,178	3,650,353	Not eligible	Not eligible
Harrison Street Real Estate Partners VIII, VIII-A, & VIII-B L.P.	<u>2,728,612</u>	<u>291,905</u>	Not eligible	Not eligible
Total investments based on NAV	<u>\$ 22,012,591</u>	<u>\$ 5,182,591</u>		

## Casey Trees and Casey Tree Farm, LLC

### Notes to Consolidated Financial Statements June 30, 2025 and 2024

#### 6. Fair Value Measurements (continued)

The following table summarizes the nature of the Organization's alternative investments in funds valued based on NAV as a practical expedient and its ability to redeem these funds as of June 30, 2024:

	NAV	Unfunded Commitments	Redemption Frequency	Redemption Notice
Pooled investment funds (a):				
White Oak Fixed Income Fund	\$ 4,878,638	\$ -	Quarterly	90 days
Private equity funds (b):				
Portfolio Advisors Private Equity Fund VII L.P.	795,648	295,203	Not eligible	Not eligible
Portfolio Advisors Private Equity Fund VI L.P.	513,747	205,092	Not eligible	Not eligible
HarbourVest Partners Co-Investment Fund IV L.P.	1,549,694	382,157	Not eligible	Not eligible
HarbourVest Partners Direct Fund L.P.	357,646	32,290	Not eligible	Not eligible
H.I.G. Middle Market LBO Fund	1,466,426	217,496	Not eligible	Not eligible
GLASFunds SPC	9,783,331	4,406,740	Not eligible	Not eligible
Harrison Street Real Estate Partners VIII, VIII-A, & VIII-B L.P.	<u>2,905,262</u>	<u>419,405</u>	Not eligible	Not eligible
Total investments based on NAV	<u><u>\$ 22,250,392</u></u>	<u><u>\$ 5,958,383</u></u>		

**(a) Pooled Investment Funds:** The pooled investment funds are considered alternative investments as there is no readily determinable market price for the funds, although most of the underlying securities in the pooled investment funds are publicly traded and are valued using readily determinable market prices. The Organization derives the reported values for these investments from the NAV provided by the funds' managers.

*White Oak Fixed Income Fund* – The Organization had an investment in White Oak Fixed Income Fund (“White Oak”) totaling \$2,721,355 and \$4,878,638 at June 30, 2025 and 2024, respectively. White Oak invests in a wide range of debt, such as asset-based lending, term loans, and aviation financing, which are managed by third party managers. Investments are valued at their NAV as reported by the underlying investment manager. White Oak performs quarterly and annual valuation procedures for each investor. Investments in this fund are subject to a quarterly redemption with a 90-day redemption notice period.

## Casey Trees and Casey Tree Farm, LLC

### Notes to Consolidated Financial Statements June 30, 2025 and 2024

#### 6. Fair Value Measurements (continued)

**(b) Private Equity Funds and Hedge Funds:** Private equity funds include investments in private companies or in public companies that are taken private through buyouts. Hedge funds employ various investment strategies to earn returns on marketable securities and other instruments. The fair value of the investments in this category has been estimated using the NAV of the Organization's partnership interest in partners' capital. Investments in this class cannot be redeemed. Instead, distributions are made from operating proceeds on a periodic basis. It is estimated that the underlying assets of these various funds will be liquidated over the next five to 10 years.

The Organization's private equity fund and hedge fund investments consist of the following funds:

*Portfolio Advisors Private Equity Funds* – The Organization had an investment in the Portfolio Advisors Private Equity Fund VII L.P. and Portfolio Advisors Private Equity Fund VI L.P. (collectively, "the Fund") totaling \$749,204 and \$1,309,395 at June 30, 2025 and 2024, respectively. The Fund invests in private equity funds ("Partnership Investments"), which are managed by third party managers. The Fund does not have the ability to direct or influence the management of the underlying Partnership Investments, which are valued at their NAV as reported by the underlying investment manager. It is the Fund's policy to only invest in Partnership Investments that are audited by independent auditing firms. The Fund performs quarterly and annual valuation procedures for each Partnership Investment. The majority of the Fund's investments have a lock-up period of five years.

*HarbourVest Partners Funds* – The Organization had an investment in the HarbourVest Partners Co-Investment Fund IV L.P. and the HarbourVest Partners Direct Fund L.P. (collectively, "the Partnership") totaling \$1,531,857 and \$1,907,340 at June 30, 2025 and 2024, respectively. The purpose of the Partnership is to make investments with primary emphasis on equity-oriented investments in management buy-in, management buy-out, recapitalization, and growth equity. Investments include common and preferred equity securities, debt, warrants, and other privately issued securities, as well as investments in operating companies. The investments in this fund are valued at their NAV as reported by the underlying investment manager. The majority of the Partnership's investments have a lock-up period of five years.

## **Casey Trees and Casey Tree Farm, LLC**

### Notes to Consolidated Financial Statements June 30, 2025 and 2024

#### **6. Fair Value Measurements (continued)**

*H.I.G. Middle Market LBO Fund* – The Organization had investments in the H.I.G. Middle Market LBO Fund (“the H.I.G. Fund”) totaling \$1,085,385 and \$1,466,426 at June 30, 2025 and 2024, respectively. The purpose of the H.I.G. Fund is to target control investments in complex situation and undermanaged middle market companies. To accomplish its purpose, the H.I.G. Fund invests in equity and equity-related securities in conjunction with privately-negotiated transactions. The H.I.G. Fund makes investments in underlying portfolio companies through Investment Holding Companies (“Investment Holdcos”), single-purpose vehicles formed specifically to hold each portfolio investment. The Investment Holdcos are generally affiliates of the H.I.G. Fund, but may include unaffiliated entities in certain circumstances. The investments in the H.I.G. Fund are valued at their NAV as reported by the underlying investment manager. The H.I.G. Fund’s lock-up periods vary according to the underlying investment portfolios.

*GLASFunds SPC* – The Organization had investments in GLASFunds SPC (“GLASFunds”) totaling \$13,196,178 and \$9,783,331 at June 30, 2025 and 2024, respectively. GLASFunds’ parent company, GLASFunds LLC, invests in various pooled investment, private equity, and hedge funds, which are managed by third parties. Valuations of these investments are provided by the underlying managers on a monthly, quarterly, or annual basis. The liquidity of these investments depends on the liquidity terms of the underlying funds, which range from semi-monthly to two years. Of the \$13,196,178 held at June 30, 2025, \$9,721,351 is invested in hedge funds and \$3,474,827 in private equity funds. As of June 30, 2024, the entire \$9,783,331 was invested in hedge funds.

*Harrison Street Real Estate Partners VIII, VIII-A, & VIII-B L.P.* – The Organization had investments in the Harrison Street Real Estate Partners VIII, VIII-A, & VIII-B L.P. (collectively, “Harrison Street”) totaling \$2,728,612 and \$2,905,262 at June 30, 2025 and 2024, respectively. Harrison Street invests in alternative real assets, such as real estate and infrastructure. Harrison Street is involved in the management of the underlying assets in the fund, and can directly influence the management of the underlying investments. Fund liquidity is provided when the fund sells the underlying assets. The fund has an expected life of 10 years.

## **Casey Trees and Casey Tree Farm, LLC**

### Notes to Consolidated Financial Statements June 30, 2025 and 2024

#### **7. Beneficial Interest in Life Estate**

On August 17, 2018, the Organization purchased a personal residence consisting of land and a building located in Washington, D.C. As part of the sales contract, the Organization has granted the seller a life estate in the purchased property. According to the life estate agreement, the seller will retain the right to occupy the property for the lifetime and will be responsible for normal maintenance, repairs, taxes, and insurance. Life estate has a number of termination clauses and conditions, including death of the seller. Upon termination of the life estate, the Organization will have full rights of possession of the property.

The total purchase price of the property, including closing costs of \$16,885, was \$766,885. The Organization measured its remainder beneficial interest in life estate based on the estimated present value of the purchase price, using approved life expectancy tables and a discount rate of 3.4%.

The net value of the assets held in the beneficial interest in life estate was as follows at June 30:

	<u>2025</u>	<u>2024</u>
Purchase price of the property	\$ 750,000	\$ 750,000
Closing costs	<u>16,885</u>	<u>16,885</u>
Total purchase price of the property	766,885	766,885
Less: discount on beneficial interest in life estate	<u>(122,024)</u>	<u>(142,361)</u>
Present value of beneficial interest in life estate, net	<u>\$ 644,861</u>	<u>\$ 624,524</u>

## **Casey Trees and Casey Tree Farm, LLC**

### Notes to Consolidated Financial Statements June 30, 2025 and 2024

#### **8. Property and Equipment**

Property and equipment consists of the following at June 30:

	<u>2025</u>	<u>2024</u>
Land	\$ 11,218,052	\$ 11,215,166
Land improvements	1,831,732	1,709,780
Buildings	9,988,729	9,859,148
Equipment	1,740,097	1,694,770
Construction in progress	<u>80,008</u>	<u>16,619</u>
 Total property and equipment	 24,858,618	 24,495,483
Less: accumulated depreciation and amortization	<u>(5,483,991)</u>	<u>(5,009,118)</u>
 Property and equipment, net	 <u>\$ 19,374,627</u>	 <u>\$ 19,486,365</u>

#### **9. Conservation Easement on Real Property**

The Organization is a holder and administrator of a number of donated conservation easements in various locations in Washington, D.C. The purpose of the conservation easements is to preserve and protect the environment of the properties, and the Organization is required to monitor and defend the easements on an ongoing basis. A nominal value of \$1 per easement has been recorded in the consolidated financial statements for the years ended June 30, 2025 and 2024.

#### **10. Fiscal Sponsorship**

In September 2023, the Organization entered into a fiscal sponsorship agreement with an unincorporated association to sponsor specific projects and contracts that further the Organization's mission. All activities related to the fiscal sponsorship are recorded by the Organization in a restricted fund to receive and administer funds from third parties on behalf of the sponsored project. The remaining unused funds are considered restricted by purpose for the specific project in the agreement. The Organization will receive administrative fees for its services, to be negotiated on a project-by-project basis.

## **Casey Trees and Casey Tree Farm, LLC**

### **Notes to Consolidated Financial Statements** **June 30, 2025 and 2024**

#### **10. Fiscal Sponsorship (continued)**

During the years ended June 30, 2025 and 2024, the Organization received a total of \$29,350 and \$16,800 of contributions designated under specific projects for the fiscal sponsorship, respectively. Total expenditures for the years ended June 30, 2025 and 2024 was \$8,613 and \$1,835, respectively. The remaining balance of unspent funds at June 30, 2025 and 2024 totaled \$35,702 and \$14,965, respectively, and is reflected in net assets with donor restrictions in the accompanying consolidated financial statements.

#### **11. Net Assets**

##### **Net Assets With Donor Restrictions**

The endowment fund was established by the Eugene B. Casey Foundation of Gaithersburg, Maryland, as well as subsequent donations to the fund. Under the terms of the endowment agreement, the original and subsequent principal amounts contributed are held in perpetuity for the benefit of the Organization, with earnings considered available for operations within annual distribution limits.

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

	<u>2025</u>	<u>2024</u>
Purpose restricted:		
Tree Planting and Care	\$ 113,474	\$ 35,000
Conservation easement stewardship	55,195	21,651
Fiscal sponsorship	35,702	14,965
Community outreach	11,982	39,316
Education programs	<u>14,785</u>	<u>10,137</u>
 Total purpose restricted	 <u>231,138</u>	 <u>121,069</u>
Endowment:		
Accumulated earnings on endowment	754,450	-
Endowment corpus	<u>49,311,463</u>	<u>49,311,463</u>
 Total endowment	 <u>50,065,913</u>	 <u>49,311,463</u>
 Total net assets with donor restrictions	 <u>\$ 50,297,051</u>	 <u>\$ 49,432,532</u>

## **Casey Trees and Casey Tree Farm, LLC**

### Notes to Consolidated Financial Statements June 30, 2025 and 2024

#### **11. Net Assets (continued)**

##### Board-Designated Net Assets

The Organization's Board of Directors set aside a Land Conservation Legal Defense Fund ("the Fund") from the net assets without donor restrictions. The Fund is a best practice of land trusts, and it is a requirement of accredited land trusts by the Land Trust Alliance, such as the Organization. The Fund provides a reserve to take legal action to correct violations of a conservation easement held by the Organization, and to take legal action to protect and steward lands owned by the Organization. The Fund's balance was \$48,300 at both June 30, 2025 and 2024.

#### **12. Endowment**

The Organization's endowment was established to fund the Organization's operations and consists of donor-restricted contributions to the endowment. Under accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

##### Interpretation of Relevant Law

The Board of Directors of the Organization has interpreted the District of Columbia's Uniform Prudent Management of Institutional Funds Act (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, the Organization classifies as net assets with 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.

In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted funds: (1) the duration and preservation of the fund; (2) the purposes of the Organization 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 or depreciation of investments; (6) other resources of the Organization; and (7) the investment policies of the Organization.

## **Casey Trees and Casey Tree Farm, LLC**

### Notes to Consolidated Financial Statements June 30, 2025 and 2024

#### **12. Endowment (continued)**

##### Return Objectives and Risk Parameters

The Organization 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. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of the following indices and percentages of the overall portfolio evaluation: S&P 500 Index (35%), Russell Mid-Cap Index (7%), Russell 2000 Index (8%), MSCI EAFE Index (15%), Alternative Index (10%), and Barclays Capital Aggregate Bond Index (25%).

##### Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Organization 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). The Organization targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

##### Spending Policy and How Investment Objectives Relate to Spending Policy

The Board has adopted an endowment spending policy governing the expenditure of the total return of the endowment. The spending policy is designed to stabilize annual spending levels and to preserve the investment portfolio and is independent of the actual yield and appreciation of investments for the year. For both years ended June 30, 2025 and 2024, the approved spending rate for Casey Trees was 4.75% of the endowment fund's market value of investments as determined using a moving five-year weighted average of the fund's investments. In establishing this policy, the Organization considered the long-term expected return on its endowment.

## **Casey Trees and Casey Tree Farm, LLC**

### Notes to Consolidated Financial Statements June 30, 2025 and 2024

#### **12. Endowment (continued)**

##### Spending Policy and How Investment Objectives Relate to Spending Policy (continued)

Accordingly, over the long term, the Organization expects the current spending policy to allow its endowment to grow at a reasonable rate annually. This is consistent with the Organization's objective to maintain the purchasing power of the endowment assets held in perpetuity as well as to provide additional real growth through new gifts and investment return.

##### Funds with Deficiencies

The fair value of assets associated with individual donor-restricted endowment funds may, from time to time, fall below the level that the donor or UPMIFA requires the Organization to retain as a fund of perpetual duration. There were no deficiencies of this nature at June 30, 2025. During the year ended June 30, 2024, the donor-restricted endowment funds experienced a net loss, resulting in a deficient balance of \$48,715,502, which was \$595,961 below the endowment corpus balance of \$49,311,463, at June 30, 2024. The net loss depleted the accumulated endowment earnings, and the Organization transferred assets without donor restrictions in the amount of \$595,961 to cover the balance of deficient funds at June 30, 2024.

##### Changes in Endowment Net Assets

Changes in endowment net assets were as follows for the year ended June 30, 2025:

	With Donor Restrictions		
	Accumulated Earnings	Endowment Corpus	Total
Endowment, beginning	\$ -	\$ 49,311,463	\$ 49,311,463
Investment return, net	5,542,492	-	5,542,492
Appropriation of assets	(4,788,042)	-	(4,788,042)
Endowment, ending	<u>\$ 754,450</u>	<u>\$ 49,311,463</u>	<u>\$ 50,065,913</u>

## Casey Trees and Casey Tree Farm, LLC

### Notes to Consolidated Financial Statements June 30, 2025 and 2024

#### 12. Endowment (continued)

##### Changes in Endowment Net Assets (continued)

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

	With Donor Restrictions		
	Accumulated Earnings	Endowment Corpus	Total
Endowment, beginning	\$ -	\$ 49,311,463	\$ 49,311,463
Investment return, net	8,917,496	-	8,917,496
Appropriation of assets	(9,513,457)	-	(9,513,457)
Transfer from assets without donor restrictions	595,961	-	595,961
Endowment, ending	<u>\$ -</u>	<u>\$ 49,311,463</u>	<u>\$ 49,311,463</u>

##### Composition of Endowment Net Assets

Endowment net assets consist of the following at June 30:

	With Donor Restrictions	
	2025	2024
Original donor-restricted gifts	\$ 49,311,463	\$ 49,311,463
Accumulated investment gains	754,450	-
Total endowment	<u>\$ 50,065,913</u>	<u>\$ 49,311,463</u>

#### 13. Functionalized Expenses

The consolidated financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Where feasible, the Organization allocates its expenses directly to specific functions, including the majority of salaries, employee benefits, and payroll taxes, which are allocated according to timecards. Additionally, other expenses are allocated utilizing an indirect cost allocation methodology based on a multiplier of direct expenses.

## **Casey Trees and Casey Tree Farm, LLC**

### **Notes to Consolidated Financial Statements** **June 30, 2025 and 2024**

#### **14. Commitments and Contingencies**

##### Government Grants

The government funds that the Organization receives from various agencies are subject to audit under the provisions of the respective grant agreements. The ultimate determination of amounts received under these grants is based upon the allowance of costs reported to and accepted by the oversight agency. Until such grants are closed out, there exists a contingency to refund any amount received in excess of allowable costs. Management is of the opinion that no material liability exists.

In addition, the Organization's operations rely in part on continued support from governmental sources. Future funding levels and the timing of reimbursements are subject to the availability of appropriations and administrative review by the granting agencies. Management monitors these programs and does not believe there are any matters of noncompliance or uncertainties that would result in a material liability or impact to ongoing operations as of June 30, 2025.

##### Operating Leases

The Organization leases office equipment under a noncancelable operating lease agreement that provides for fixed monthly rental payments and extends through fiscal year 2028.

In addition, the Organization utilizes land space on a university campus in Washington, D.C., under an agreement that extends through August 2030. The agreement requires annual payments of \$6,000, with an annual escalation of 4%.

Supplemental qualitative information related to the operating leases is as follows at June 30:

	<u>2025</u>	<u>2024</u>
Operating lease cost (lease expense)	\$ 10,216	\$ 4,689
Cash paid for amounts included in the measurement of lease liability –		
operating cash flows	\$ 10,924	\$ 4,924
ROU asset obtained in exchange for lease obligations	\$ 36,067	\$ -
Remaining lease term (in years)	3.7	3.1
Discount rate	3.31%	2.88%

## **Casey Trees and Casey Tree Farm, LLC**

### **Notes to Consolidated Financial Statements** **June 30, 2025 and 2024**

#### **14. Commitments and Contingencies (continued)**

##### Operating Lease (continued)

Maturities of the lease liability under the operating leases are as follows for the years ending June 30:

2026	\$ 11,163
2027	11,414
2028	7,159
2029	7,019
2030	<u>7,300</u>
 Total minimum lease payments	44,055
Less: discount to present value at 3.31%	<u>(4,644)</u>
 Present value of operating lease liabilities	<u>\$ 39,411</u>

#### **15. Retirement Plans**

##### 403(b) Plan

The Organization offers a 403(b) plan, covering substantially all employees who have attained 21 years of age. The plan includes an employer match of up to 6-10% of the participant's annual contribution, depending on employee tenure. Employees are eligible for this matching contribution after completing six months of employment. For the years ended June 30, 2025 and 2024, the Organization made contributions of \$292,571 and \$263,314, respectively.

##### Deferred Compensation Plan

During the year ended June 30, 2020, the Organization established a non-qualified deferred compensation plan ("the Plan") on behalf of certain key executives. Organized under IRC Section 457(f), the Plan is funded through annual contributions by the Organization, and will be paid to the executives once vested, typically over a five-year rolling vesting period. The deferred compensation assets and corresponding liabilities held at fair value amounted to \$376,591 and \$256,183 at June 30, 2025 and 2024, respectively, and are included in the deferred compensation assets and liabilities in the accompanying consolidated statements of financial position.

## **Casey Trees and Casey Tree Farm, LLC**

### Notes to Consolidated Financial Statements June 30, 2025 and 2024

#### **16. Related Party**

Casey Trees is a functionally integrated supporting organization that carries on programs for the benefit of GCA, which is more fully described in Note 1. At June 30, 2025 and 2024, Casey Trees had no liabilities due to GCA.

On December 16, 2024, Casey Trees entered into a contract with an architectural firm owned by a member of the Board of Directors to provide architectural services for Casey Trees' projects. The relationship was disclosed to the Board, and the interested Board member recused himself from the approval process. Total payments to the firm were \$10,861 for the year ended June 30, 2025.

#### **17. Income Taxes**

Casey Trees is a tax-exempt organization under IRC Section 501(c)(3) and is exempt from income taxes except on unrelated business activities. Casey Trees qualifies as a supporting organization within the meaning of IRC Section 509(a)(3). For the years ended June 30, 2025 and 2024, Casey Trees incurred federal and state income taxes on unrelated business income generated from investment activities. Estimated tax payments during the years ended June 30, 2025 and 2024 totaled \$7,200 and \$15,600, respectively.

Casey Tree Farm is a disregarded entity for income tax purposes. As a single member LLC, all items of income and expenditure are attributable to Casey Trees and are reported on its annual Form 990. All activities are related to the mission of Casey Trees. Management has evaluated the Organization's tax positions and concluded that the Organization had no significant uncertain tax positions at June 30, 2025 and 2024.

**SUPPLEMENTARY SCHEDULE AND REPORTS REQUIRED  
BY THE UNIFORM GUIDANCE**

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED  
ON AN AUDIT OF CONSOLIDATED FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Directors of  
Casey Trees and Casey Tree Farm, LLC

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Casey Trees and Casey Tree Farm, LLC (collectively, “the Organization”), which comprise the consolidated statement of financial position as of June 30, 2025; the related consolidated statements of activities, functional expenses, and cash flows for the year then ended; and the related notes to the consolidated financial statements, and have issued our report thereon dated December 15, 2025.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the consolidated financial statements, we considered the Organization’s internal control over financial reporting (“internal control”) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization’s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s consolidated financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

### **Report on Internal Control over Financial Reporting (continued)**

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Organization's consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the consolidated financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Rogers + Company PLLC". The signature is fluid and cursive, with "Rogers" and "Company" connected by a plus sign, and "PLLC" written in a smaller, separate font to the right.

Vienna, Virginia  
December 15, 2025

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY  
THE UNIFORM GUIDANCE**

To the Board of Directors of  
Casey Trees and Casey Tree Farm, LLC

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Casey Trees and Casey Tree Farm, LLC's (collectively, "the Organization") compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended June 30, 2025. The Organization's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Organization's compliance with the compliance requirements referred to above.

### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Organization's federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Organization's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

## **Report on Internal Control over Compliance**

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink that reads "Rogers & Company PLLC". The "R" and "C" are capitalized and have decorative loops. A small ampersand is between "Rogers" and "Company".

Vienna, Virginia  
December 15, 2025

**Casey Trees and Casey Tree Farm, LLC**

Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2025

<b>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</b>	<b>Assistance Listing Number</b>	<b>Agency or Pass- Through Grant Number</b>	<b>Amount Paid to Subrecipients</b>	<b>Total Federal Expenditures</b>
<b>U.S. Department of Agriculture – Forest Service</b>				
<i>Direct Award:</i>				
Inflation Reduction Act Urban & Community Forestry Program	10.727	24-DG-11094200-016	\$ 109,896	\$ 1,292,430
Total ALN 10.727			<u>109,896</u>	<u>1,292,430</u>
<b>U.S Environmental Protection Agency</b>				
<i>Pass-through from D.C Department of Energy and Environment:</i>				
Chesapeake Bay Program Implementation, Regulatory/Accountability and Monitoring Grants	66.964	96399101	-	77,976
Chesapeake Bay Program Implementation, Regulatory/Accountability and Monitoring Grants	66.964	96395601	<u>265,371</u>	<u>403,762</u>
Total ALN 66.964			<u>265,371</u>	<u>481,738</u>
<b>U.S. Fish and Wildlife Service</b>				
<i>Pass-through from National Fish and Wildlife Foundation:</i>				
Developing Resilience Corridors to Improve Wildlife Habitat and Human Wellbeing	15.670	0607.24.084665	<u>24,000</u>	<u>38,438</u>
Total ALN 15.670			<u>24,000</u>	<u>38,438</u>
<b>Total Expenditures of Federal Awards</b>			<b><u>\$ 399,267</u></b>	<b><u>\$ 1,812,606</u></b>

## **Casey Trees and Casey Tree Farm, LLC**

### **Notes to the Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2025**

#### **1. Basis of Presentation**

The accompanying schedule of expenditures of federal awards (SEFA) includes the federal award activity of the Organization under the programs of the federal government for the year ended June 30, 2025. The information in the SEFA is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the SEFA presents only a selected portion of the operations of the Organization, it is not intended to, and does not, present the financial position, changes in net assets, or cash flows of the Organization.

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

Expenditures reported on the SEFA are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

#### **3. Indirect Cost Rate**

The Organization has elected to use the 10% *de minimis* indirect cost rate as allowed under the Uniform Guidance.

#### **4. Non-Low Risk Auditee**

In order to qualify as a low-risk auditee, the Organization must meet the conditions set by the Uniform Guidance for each of the preceding two audit periods.

The Organization did not require the Uniform Guidance audit for the year ended June 30, 2024 since the total expenditures of federal awards were below the Uniform Guidance threshold of \$750,000 for the year then ended. Therefore, the Organization did not qualify as a low-risk auditee for the year ended June 30, 2025 since the Uniform Guidance audit was not performed for each of the preceding two audit periods.

**Casey Trees and Casey Tree Farm, LLC**

**Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2025**

**Section I – Summary of Auditor’s Results**

***Consolidated Financial Statements***

Type of auditor’s report issued:	Unmodified		
Internal control over financial reporting:			
• Material weakness(es) identified?	_____	Yes	<input checked="" type="checkbox"/> No
• Significant deficiency(ies) identified that are not considered to be material weaknesses?	_____	Yes	<input checked="" type="checkbox"/> None reported
Noncompliance material to consolidated financial statements noted?	_____	Yes	<input checked="" type="checkbox"/> No

***Federal Awards***

Internal control over the major program:			
• Material weakness(es) identified?	_____	Yes	<input checked="" type="checkbox"/> No
• Significant deficiency(ies) identified that are not considered to be material weaknesses?	_____	Yes	<input checked="" type="checkbox"/> None reported
Type of auditor’s report issued on compliance for the major program:	Unmodified		
Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)?	_____	Yes	<input checked="" type="checkbox"/> No

Identification of the major program:

<u>Assistance Listing Number</u>	<u>Name of Federal Program or Cluster Title</u>
ALN 10.727	Inflation Reduction Act Urban & Community Forestry Program

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? \_\_\_\_\_ Yes  No

**Casey Trees and Casey Tree Farm, LLC**

**Schedule of Findings and Questioned Costs (continued)**  
**For the Year Ended June 30, 2025**

**Section II – Findings – Consolidated Financial Statement Audit**

There were no consolidated financial statement findings reported during the 2025 audit.

**Section III – Findings and Questioned Costs – Major Federal Award Programs Audit**

There were no findings or questioned costs over major federal awards reported during the 2025 audit.

**Casey Trees and Casey Tree Farm, LLC**

Corrective Action Plan  
For the Year Ended June 30, 2025

There were no findings for the year ended June 30, 2025, and therefore, a corrective action plan was not needed.

**Casey Trees and Casey Tree Farm, LLC**

**Schedule of Prior Audit Findings  
For the Year Ended June 30, 2024**

The Organization did not qualify for a Uniform Guidance audit for the year ended June 30, 2024.