



VIRGINIA OUTDOORS
FOUNDATION

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ANNUAL REPORT
to the Governor and General Assembly
for Fiscal Year 2008

HIGHLIGHTS

EXECUTIVE SUMMARY

Private land conservation represent two hallowed traditions of which Thomas Jefferson often spoke—private property rights and a sense of public stewardship for the conservation values inherent in natural settings. As holder of more conservation easements than any public land trust in the United States, the Virginia Outdoors Foundation is the Commonwealth's best embodiment of these traditions. Fiscal Year 2008 was VOF's second-biggest year in terms of recorded acreage. Our success is a testament to the demand among Virginians to conserve and protect for present and future generations the state's natural and cultural heritage landscapes—our uncommon wealth.

A few highlights deserve special mention. We recorded our largest easement ever in Carvins Cove Natural Reserve—more than 6,000 acres owned by the City of Roanoke that protect public drinking water supplies for several jurisdictions. Our stewardship program monitored more properties than in any previous year. Our Web site was significantly improved as the primary vehicle for public information and program communication. Two widely distributed newsletters kept our friends and interested parties informed of new initiatives and noteworthy accomplishments. Private support for our public land conservation mission reached new levels thanks to several major contributions by foundations.

The seven VOF regional offices provide statewide program coverage, and VOF took its first easement in several additional Virginia jurisdictions. We still have more demand for open-space easement projects than we have human resources to address that demand, but in FY 2008 we expanded existing land conservation partnerships for program efficiencies and established new allies to extend our public education and outreach efforts. Also, the Virginia Land Preservation State Income Tax Credit Program received enhanced credibility as a result of continuing cooperation and collaboration between VOF, the Virginia Department of Taxation, and the Department of Conservation and Recreation as part of the new legislative requirements for conservation easement reporting and oversight.

The real strength of Virginia's voluntary land conservation model is its cost efficiency. The land conservation tax credit, at 40 percent of the appraised value of a donated perpetual easement, is a cost-effective complement to public land acquisitions. Effectiveness and efficiency are particularly important now because, at recent rates of open land conversion, Virginia will lose more open land in the next 40 years than it lost in the previous 400 years. VOF is proud to be part of the fabric of a sustainable land use future for Virginia—balanced growth with reverence for heritage.



G. Robert Lee
Executive Director

- Virginians donated 62,468 acres in conservation easements to VOF, spread across 64 counties and cities—our second-biggest year ever.
- We surpassed 470,000 total acres of protected land.
- We recorded our largest easement ever in 2008—6,184 acres in Carvins Cove Natural Reserve, donated by the City of Roanoke.
- We acquired our first ever easements in the City of Roanoke, the City of Staunton, and James City County.
- By the end of calendar year 2008, VOF staff will have reached their goal of visiting 1,000 easement properties across the Commonwealth—more than double the number we visited in 2007.
- In 2008, we began providing landowners with feedback cards to determine their satisfaction with our stewardship services. Of the landowners who've responded so far, 100 percent have rated interactions with VOF staff as excellent or good, and 96 percent have rated our reports, maps, and photos as excellent or good.
- We developed a new logo and revamped our Web site.

ABOUT THE VIRGINIA OUTDOORS FOUNDATION

The Virginia Outdoors Foundation was created by the General Assembly in 1966 “to promote the preservation of open-space lands and to encourage private gifts of money, securities, land or other property to preserve the natural, scenic, historic, scientific, open-space and recreational areas of the Commonwealth.” VOF currently holds about 480,000 acres of donated conservation easements in 90 counties and 12 cities, making VOF’s portfolio of more than 2,250 preservation and conservation easements the largest in the nation. It also owns about 3,500 acres of public land in four counties, including 2,500 acres in the Bull Run Mountains.

A POWERFUL, COST-EFFECTIVE TOOL FOR LAND CONSERVATION

Conservation easements—their negotiation, acquisition, recordation, and stewardship—are the heart and soul of VOF. An easement is a voluntary legal tool that a landowner can use to restrict future activities on his or her land to protect its conservation values. The value of a conservation easement is the difference between the property’s fair market value before and after the imposition of the restrictions. VOF assists landowners with donating easements, as well as managing them in perpetuity after they have been recorded. This stewardship process involves landowner support and assistance relating to interpretation of specific easement provisions, and also some education related to land management practices. It also requires a great deal of documentation, site visits, and, when necessary, settling easement violations.

Easements provide landowners with control over how their land will be used in perpetuity while protecting public values. Some eased properties offer recreational and educational opportunities. Others are working farms and forests, generating millions of dollars and thousands of jobs for the Commonwealth. All of them provided the incalculable benefits of open space, wildlife habitat, and scenic landscapes—all of which enhance the quality of life for Virginians at very little cost to taxpayers.

PARTNERSHIPS

Partnerships with other state, federal, and local government agencies, local and regional land trusts, private, nonprofit organizations, and the private sector are critical to the ongoing success of the Virginia Outdoors Foundation. Among state agencies, a particularly close working relationship is maintained with the Virginia Department of Conservation and Recreation, the Virginia Department of Forestry, and the Virginia Department of Historic Resources. VOF also is an active member of Virginia United Land Trusts and Land Trust Alliance.

FUNDING SOURCES

VOF receives its operating capital from several sources. In Fiscal Year 2008, VOF was allocated \$2.25 million from the Commonwealth of Virginia General Fund, as well as XXXX from the Virginia Land Conservation Fund. VOF also receives dedicated, but recently declining, funding each year tied to the \$1.00 recordation fee imposed on land transfers in any Virginia county or city with at least one recorded open-space easement held by VOF. In addition, VOF seeks grants from foundations, corporations, and individual donors. The VOF Annual Financial Statements for Fiscal Year 2008 are included in this report.

REGIONAL HIGHLIGHTS

The Virginia Outdoors Foundations serves the Commonwealth through seven regional offices (*see map on page 11*).

APPALACHIAN HIGHLANDS REGION

Our Abingdon office, which opened in 2006, has worked closely with The Land Trust for Southwest Virginia to initiate an outreach program to inform landowners and local leaders within the Appalachian Highlands region about conservation easements. During FY 2008, more and more landowners began to contact VOF and place easements on their properties. Interest in easements has continued to increase, with neighbors and relatives of easement donors calling the Abingdon office to begin the easement process for their own properties. As the number of easement donors increase in the Appalachian Highlands region, there will be more positive testimonials, resulting in a robust easement program in the most pristine and unspoiled part of Virginia.

CENTRAL REGION

Our Central regional office saw new easements in 12 different counties, with a large proportion of working family farms and farms of historic significance. Two designated Virginia Century Farms (working farms in the same family for over 100 years) were put under easement. In Amherst County, a large farm that is newly under easement contains the historic Galt's Mill and fronts the James River, affording wonderful sweeping views to those who pass by in car or canoe. Orange County saw a dozen active farm properties join the easement program, including Rockwood, a designated Historic Register property adjoining historic Montpelier, home of President James Madison. Finally, landowners in the region's southern counties increased their participation in the easement program, with an historic dairy farm near Keyesville and five other properties totaling 1,245 acres in Halifax.

SOUTHEAST REGION

Many of the easements recorded in the Southeast region in FY 2008 were clustered in the farmlands of western Hanover County and the working timberlands of southern Virginia. Several farms owned by different generations of one family were placed into easement, along with several other neighboring farms in the Beaverdam area. Important historic houses were preserved with their settings, including Springfield, which is listed on the National Register of Historic Places and the Virginia Historic Landmarks Register. Three of the farms are contiguous and have frontage along the Little River and the Newfound River. This grouping now protects more than 1,300 acres of cropland, pastureland, and timberland in a rapidly developing county. Protecting contiguous land is an important conservation strategy that helps maintain soils and natural processes, provides wildlife corridors, and allows for more efficient use of farmland. With some of the largest intact properties left in the state and a strong timber industry, this region will benefit greatly from VOF's work in the coming years.

TIDEWATER REGION

The Tidewater regional office worked on a wide variety of easement projects in FY 2008, most notably preserving important riparian areas and historic properties. In upper Essex County, approximately 1,200 acres of prime forest and farmland were protected in an area that already contains a large amount of easements and other conserved lands. Several miles of tidal shoreline and associated wetlands were protected on the Rappahannock and Potomac rivers, as well as important swamp areas on Dragon Run, which will enhance water quality preservation and improvement efforts in the Chesapeake Bay. Several multi-generational family farms were protected on the Northern Neck and Middle Peninsula. In addition, VOF worked with the Colonial Williamsburg Foundation and the Virginia Department of Historic Resources to permanently preserve Carter's Grove, a 400-acre plantation with over one mile of shoreline on the James River just below Williamsburg.

REGIONAL HIGHLIGHTS

NORTHERN PIEDMONT REGION

In the Northern Piedmont region, VOF recorded almost two dozen easements in FY 2008, in counties ranging from the more urban Prince William County to the more rural Rappahannock County. One of the most significant and exciting trends of the year was the number of projects and acres recorded in Loudoun County, which has experienced enormous growth in the past several years. The six projects VOF completed in the county in FY 2008 averaged 350 acres in size. These projects protect not just open space, but also four historic homes (including one on the National Register of Historic Places), two archeological sites, the viewshed of two highly-traveled commuter routes and two public parks, and the watershed along several miles of major waterways, including Pantherskin Creek and the Potomac River.

SHENANDOAH VALLEY REGION

Of the 60-plus easements recorded in the Shenandoah Valley region in FY 2008, more than one-third were on lands that have been in the same family for at least three generations. Protecting blocks of agricultural land helps to sustain an agricultural economy in addition to preserving valuable farmland in Virginia. In FY 2008, Rockbridge County preserved more acres than any other county in the Commonwealth as landowners learned the benefits of easements and began to spread the word. The surge of interest in land conservation in the Shenandoah Valley is unmatched by any other region of the state.

SOUTHWEST REGION

In the Southwest region, VOF recorded easements in more than a dozen localities, including the first conservation easement ever recorded in the City of Roanoke, as well as more than 6,000 acres in Carvins Cove Natural Reserve, located in Roanoke and Botetourt counties—VOF's largest easement ever. Family lands comprised some of the outstanding highlights in the region. In Wythe County, a family donated four easements on their dairy farm, covering nearly 740 acres. In Montgomery and Floyd Counties, a major estate was settled that placed more than 1,400 acres of family farms and land under easement, including a historic home, globally rare species habitat, more than a mile of the Little River, and hundreds of acres of prime farmland.

OPEN SPACE LANDS PRESERVATION TRUST FUND

Recognizing the importance of open-space land in the Commonwealth and the increasing development pressures on such land, the General Assembly of Virginia in 1997 created the Open Space Lands Preservation Trust Fund [Va. Code Ann. Sections 10.1801-2 (Repl. Vol. 2006)] to assist landowners with the costs of donating open-space easements and to assist in purchasing all or part of the value of such easements. The Preservation Trust Fund (PTF) is capitalized through a 25-percent appropriation of the state General Fund allocation for the Virginia Land Conservation Foundation. In Fiscal Year 2008, the PTF received \$1.1 million.

Easements receiving PTF allocations are conveyed to the Virginia Outdoors Foundation and a local easement co-holder. Landowners of property with scenic, scientific, natural, historic, recreational, or open-space value may qualify for PTF allocations. Each prospective conservation easement is evaluated by VOF staff and its Board of Trustees using the VOF guidelines for accepting easements. Expenditures that may be reimbursed by PTF monies include legal expenses, appraisal costs, and other costs incurred related to the easement donation, as well as the purchase price of all or part of the value of the easement.

The vast majority of Preservation Trust Fund awards have been for payment of costs associated with the donation of an easement on a family farm by owners of modest financial means. For most PTF applicants, the costs associated with the grant of an easement create an impediment to such easement donation, and the PTF awards can make it feasible for such landowners to proceed with their gifts of easements to the Commonwealth. In Fiscal Year 2008, these awards fostered the protection of more than 9,400 acres of land.

Annual Financial Statements of the Virginia Outdoors Foundation for Fiscal Year 2008

Statement of Net Assets For the Year Ended June 30, 2008

Assets	Description	Amount
Cash held with the Treasurer of Virginia (GLA 101)		
Cash not held with the Treasurer of Virginia		96,403
Cash Equivalents with the Treasurer of Virginia - Securities Lending		
Local Government Investment Pool - Cash Equivalents		3,626,728
State Non-Arbitrage Program (SNAP) Pool Funds		
SNAP Individual Portfolio - Cash Equivalents		
Cash Equivalents with the Treasurer of Virginia (excludes SNAP & LGIP)		
Cash Equivalents not with the Treasurer of Virginia (excludes SNAP)		
Cash and Cash Equivalents - Total		3,723,131
SNAP Individual Portfolio - Investments		
Investments with the Treasurer of Virginia - Securities Lending		
Local Government Investment Pool - Investments		
Investments with the Treasurer of Virginia (excludes SNAP & LGIP)		
Investments not with the Treasurer of Virginia (excludes SNAP)		
Investments - Total		-
Accounts and Loans Receivable, net		253
Taxes Receivable, net		
Interest Receivable		
Other Receivable, net		
Receivables, Net - Total		253
Due from Primary Government	Supreme Courts - Land Recordation Fee (58.1-817)	60,553
Due from Component Units		
Inventory		
Prepaid Items		11,764
Cash and Travel Advances		
Advances (nonexchange transactions)		
Unamortized Bond Issuance Expense		
Other Assets		
Other Assets - Total		-
Restricted Cash held with the Treasurer of Virginia (GLA 101)		
Restricted Cash not held with the Treasurer of Virginia		
Restricted Local Government Investment Pool - Cash Equivalents		2,461,093
Restricted State Non-Arbitrage Program (SNAP) Pool Funds		
Restricted SNAP Individual Portfolio - Cash Equivalents		
Restricted Cash Equivalents with the Treasurer of Virginia (excludes LGIP & SNAP)		
Restricted Cash Equivalents not with the Treasurer of Virginia (excludes SNAP)		
Restricted Cash and Cash Equivalents - Total		2,461,093
Restricted SNAP Individual Portfolio - Investments		
Restricted Local Government Investment Pool - Investments		
Restricted Investments with the Treasurer of Virginia (excludes LGIP & SNAP)		
Restricted Investments not with the Treasurer of Virginia (excludes SNAP)		
Restricted Investments - Total		-
Restricted Cash and Travel Advances		
Restricted Advances (nonexchange transactions)		
Restricted Unamortized Bond Issuance Expense		
Restricted Other Assets		
Restricted Other Assets - Total		-

Annual Financial Statements of the Virginia Outdoors Foundation for Fiscal Year 2008

Nondepreciable Capital Assets	8,843,363
Depreciable Capital Assets, Net	177,033
TOTAL ASSETS	15,277,190

Statement of Net Assets For the Year Ended June 30, 2008

	Description	Amount
Liabilities		
Vendor		19,790
Salaries/Wages		79,553
Retainage Payable		
Other		
Accounts Payable - Total		99,343
Due to Component Units		
Unearned Revenue		
Obligations Under Securities Lending Program		
Accrued Interest Payable		
Other Liabilities		402
Deposits Pending Distribution		
Short-term Debt		
Grants Payable		
Other Liabilities - Due Within One Year - Total		402
Loans Payable to Primary Government		
Bonds Payable - Due Within One Year		
Installment Purchase Obligations - Due within one year		
Capital Lease Obligations - Due Within One Year		
Notes Payable - Due Within One Year		
Compensated Absences - Due Within One Year		68,672
Pension Liability - Due Within One Year		
Bond Anticipation Notes - Due Within One Year		
Other - Due Within One Year		
Long-term Liabilities - Due Within One Year		68,672
Accrued Interest Payable		
Other Liabilities		
Deposits Pending Distribution		
Short-term Debt		
Grants Payable		
Other Liabilities - Due Greater Than One Year - Total		-
Bonds Payable - Due Greater Than One Year		
Installment Purchase Obligations - Due Greater Than One Year		
Capital Lease Obligations - Due Greater Than One Year		
Notes Payable - Due Greater Than One Year		
Compensated Absences - Due Greater Than One Year		45,782
Pension Liability - Due Greater Than One Year		
Other Post Employment Benefits - Due Greater Than One Year		
Bond Anticipation Notes - Due Greater Than One Year		
Other - Due Greater Than One Year		
Long-term Liabilities - Due Greater Than One Year		45,782
TOTAL LIABILITIES		214,199

Annual Financial Statements of the Virginia Outdoors Foundation for Fiscal Year 2008

Net Assets	
Invested in Capital Assets, Net of Related Debt	9,020,396
Restricted for:	
Nonexpendable	
Expendable	
Capital Projects Construction	
Capital Acquisition	
Gifts and Grants	
Debt Service	
Bond Indenture	
Other	
	Bull Run Mt. State Natural Preserve
Unrestricted	1,100,000
TOTAL NET ASSETS	4,942,595
	15,062,991

Statement of Activities For the Year Ended June 30, 2008

	Description	Amount
Program Revenues		
Charges for Services		860,750
Operating Grants and Contributions		1,026,260
Capital Grants and Contributions (include capital appropriations here)		
Program Revenues - Total		1,887,010
Program Expenses		
Operating and Nonoperating Expenses		3,531,477
Loss on Sale/Disposal/Impairment of Capital Assets		
Expenses For Security Lending Transactions		
Program Expenses - Total		3,531,477
Net Revenue (Expense)		-1,644,467
General Revenues		
Operating Appropriations from Primary Government		2,250,000
Unrestricted Grants and Contributions		49,008
Investment Earnings		228,204
Income From Security Lending Transactions		
Miscellaneous (only enter a positive amount)		
Gain on Sale/Disposal/Impairment of Capital Assets		
Tobacco Master Settlement		
Other Financing Sources (Uses)		
Special Items (include description)		
Extraordinary Items (include description)		
Transfers from Component Units		
Contributions to Term Endowments		
Contributions to Permanent Endowments		
General Revenue - Total		2,527,212
Change in Net Assets		882,745
Net Assets, Beginning		14,180,246
Net Assets, Ending		15,062,991
		-

BOARD & STAFF

BOARD OF TRUSTEES

VOF is governed and administered by a board of seven at-large trustees appointed by the Governor for staggered four-year terms. The trustees meet at least four times per year to review easement projects and policy matters.

Mr. Frank M. Hartz, III, Chair
County of Goochland

Mr. Mark S. Allen, Esquire
County of Fairfax

Mr. Harry Atherton
County of Fauquier

Dr. M. Rupert Cutler
City of Roanoke

Mr. Charles H. Seilheimer, Jr.
County of Orange

Mr. Jeffrey K. Walker
County of Northampton

Ms. Molly Joseph Ward
City of Hampton

STAFF

Senior Management

G. Robert Lee, *Executive Director*
Leslie Grayson, *Deputy Director of Easements*
Martha Little, *Deputy Director of Stewardship*
Tamara Vance, *Deputy Director of Easements*

Administrative Division

Bobbie Cabibbo, *Executive Assistant*
Anna Chisholm, *Finance Manager*
Sara Ensley, *Human Resources Manager*
Jeff Matthews, *Technology Manager*
Jason McGarvey, *Communications & Outreach Manager*
Renee Russell, *Development Specialist*
Masood Ul Hassan, *Administrative & Finance Assistant*

Easement Division

Ruth Babylon, *Easement Specialist*
Sherry Buttrick, *Easement Manager*
Anna Clayton Logan, *Easement Assistant*
Vicki Drumheller, *Administrative Assistant*
Kristin Ford, *Easement Specialist*
Josh Gibson, *Easement Specialist*
Neal Kilgore, *Easement Specialist*
Beverly Monroe, *Administrative Assistant*
Mallory Morphew, *Administrative Assistant*
Jen Perkins, *Easement Specialist*
Philip Reed, *Easement Specialist*
Bruce Stewart, *Staff Counsel, Easement Division*
Estie Thomas, *Easement Manager*
Laura Thurman, *Easement Manager*

Stewardship Division

Tracy Campbell, *Stewardship Assistant*
Melissa Collier, *Stewardship Manager*
Harry Hibbitts, *Stewardship Specialist*
Kerry Hutcherson, *Staff Counsel, Stewardship Division*
Abbe Kennedy, *Stewardship Assistant*
Joseph Kuhn, *Stewardship Specialist*
John Peters, *Stewardship Specialist*
Andrea Reese, *Stewardship Specialist*
Erika Richardson, *Stewardship Specialist*
Amanda Scheps, *Stewardship Specialist*
George Sutton, *Stewardship Assistant*
Ryan Walker, *Stewardship Specialist*
Bill Wasserman, *Stewardship Assistant*
Erin Wilson, *Stewardship Assistant*

OFFICE LOCATIONS

Executive Office
Northern Piedmont Region
324 Waterloo St
Warrenton, VA 20186

Appalachian Highlands Region
468 East Main Street, Suite 400B
Abingdon, VA 24210

Central Region
1010 Harris Street, Suite 4
Charlottesville, VA 22903

Shenandoah Valley
11 East Beverley Street
Staunton, VA 24401

Southeast
Capitol Place Building
1108 East Main Street, Suite 700
Richmond, VA 23219

Southwest Region
900 South Main Street
Blacksburg, VA 24060

Tidewater & Eastern Shore Region
139 Prince Street
Tappahannock, VA 22560

