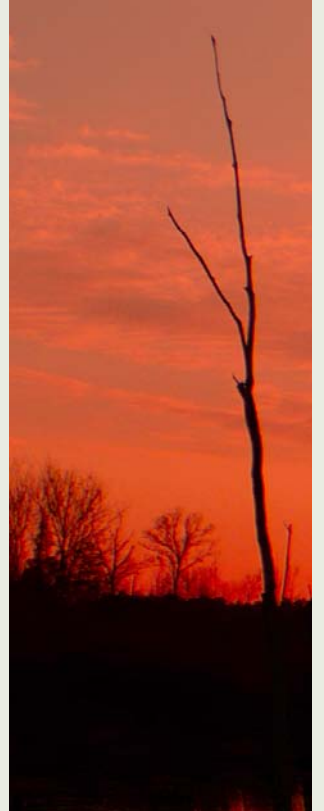




VIRGINIA OUTDOORS
FOUNDATION



Annual Report
Fiscal Year
2009

Board & Staff

As of November 1, 2009 unless noted

BOARD OF TRUSTEES

VOF is governed by a board of seven trustees appointed by the Governor for staggered four-year terms.

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

Mr. Mark S. Allen, Esquire
Fairfax County

Mr. Harry Atherton
Fauquier County

Dr. M. Rupert Cutler
City of Roanoke

Mrs. Suzanne M. Lacy
Henry County

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

Mr. Jeffrey K. Walker
Northampton County

Ms. Molly Joseph Ward
City of Hampton

** Term expired June 30, 2009*

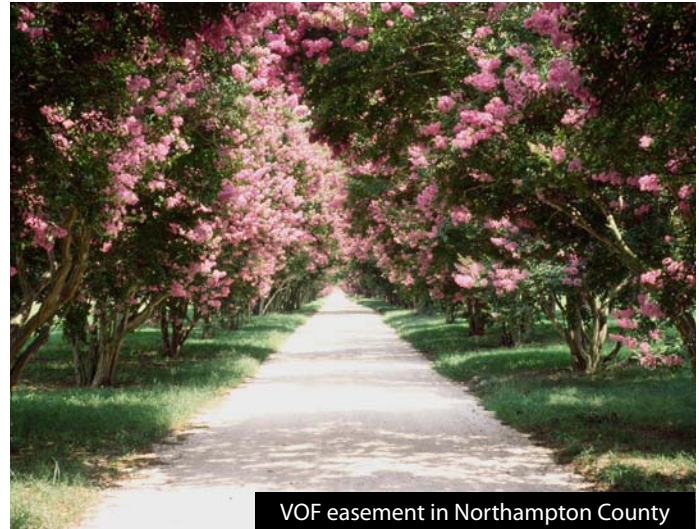
STAFF

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*
Jennifer Ducote, *Administrative & Finance Assistant*
Sara Ensley, *Human Resources Manager*
Jeff Matthews, *Technology Manager*
Jason McGarvey, *Communications & Outreach Manager*
Renee Russell, *Development Specialist*



VOF easement in Northampton County

Easement Division

Ruth Babylon, *Easement Specialist*
Anna Clayton Bullock, *Easement Assistant*
Sherry Buttrick, *Easement Manager*
Vicki Drumheller, *Administrative Assistant*
Karen Fisher, *Administrative Assistant*
Kristin Ford, *Easement Specialist*
Josh Gibson, *Easement Specialist*
Neal Kilgore, *Easement Specialist*
Beverly Monroe, *Administrative Assistant*
Hannah Overton, *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*
Andrew Fotinos, *Stewardship Specialist*
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*
Bill Wasserman, *Stewardship Assistant*
Erin Wilson, *Stewardship Assistant*

Dear Friends of VOF,

It took the Virginia Outdoors Foundation 40 years to preserve our first 250,000 acres—a milestone we achieved in 2004. In the next four years, we doubled our portfolio of conservation lands. Today, VOF protects more than half a million acres of Virginia's open spaces. That's an area two-and-a-half times the size of Shenandoah National Park. This achievement makes us the preeminent land trust in the Commonwealth by far, and one of the most significant in the nation.

Virginia's generous tax incentives for voluntary easements have driven this growth. Despite the recent downturn in the economy, we have not seen any indication that the demand to preserve open space will wane anytime soon. This presents an opportunity to preserve even more land for future generations, but it also presents a challenge for VOF to meet the demand during a time when the state's budget is being cut to the bone.

Like all agencies and businesses, VOF must work smarter and more efficiently. In 2009, we began a strategic planning process to help us achieve these goals. It is clear that VOF, as presently structured and funded, cannot continue to sustain the same dramatic growth of the last few years. We are looking for a responsible and sustainable way forward. We have engaged all of our partners in this process—from state agencies and local governments to private land trusts and conservation groups—to create what we believe will be a roadmap for Virginia's land conservation efforts in the coming years.

The economic challenges that face Virginia and the nation will impact land conservation, but some of these challenges will also create unique opportunities. Examples of our nation's most important conservation projects and programs were devised by farsighted leaders as part of a response to the economic stresses of the Great Depression. Potential conservation lands for the enjoyment and nurturing of future generations have not been so reasonably priced in many years. Now may be the best of times to work collaboratively and proactively to protect our most valuable cultural and natural heritage landscapes using all of the tools in the conservation toolbox.

To succeed, VOF must garner both the private and public funding needed to fully support our programs. As we work to earn that support, we pause to reflect on the extraordinary success of the past fiscal year, which was one of our strongest ever. This Annual Report provides just a snapshot of that success across the entire Commonwealth. From the Eastern Shore to the Appalachian Highlands, we protected more than 60,000 acres during FY 2009. Whether the easements protected a family farm, a scenic river, a favorite hunting spot, or simply a beautiful landscape, they all yield demonstrable public benefits. The staff and trustees of VOF are proud of what we have achieved, but our work is far from over. Please join us in sustaining the momentum to protect many more of Virginia's special places in the years ahead.



G. Robert Lee
Executive Director

Frank M. Hartz, III,
Chair, Board of Trustees

On the cover: From left to right, snapshots from VOF easements in Loudoun, Tazewell, Clarke, Albemarle, and Greensville counties.



VOF easement in Augusta County

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 in the Commonwealth.” VOF currently holds more than half a million acres of donated conservation easements in 102 counties and cities, making its portfolio of nearly 2,500 conservation easements the largest in the nation. It also holds the title for about 3,500 acres of public land in four counties.

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 agreement between a landowner and a land trust or government agency that permanently limits the uses of the land to protect its natural, scenic, historic, open-space, or recreational values, while allowing the landowners to continue to own and use the land and sell it or pass it on to heirs. Because these values yield substantial public benefits, landowners receive both state and federal tax incentives for donating easements.

PARTNERSHIPS

Partnerships with government agencies, nonprofit land trusts and conservation groups, and the private sector are critical to VOF’s success. 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.

FY 2009 Highlights

- VOF protected about 67,000 acres of open space during the fiscal year period between July 1, 2008 and June 30, 2009.
- We surpassed 530,000 acres of protected land—an area two-and-a-half times the size of Shenandoah National Park and more than half the size of Rhode Island.
- We recorded two of our largest easements ever: 6,999 acres of working timberland in Amelia County, and 4,993 acres in Bedford and Pittsylvania counties donated by American Electric Power.
- Our stewardship program monitored nearly 1,000 properties.

Appalachian Highlands Region

Grayson County continues to be the hot spot for easements in the Appalachian Highlands region, with five projects recorded in FY 2009 totaling more than 1,200 acres, including one project with nearly two miles of frontage along the New River, a federally designated American Heritage River. VOF also broke two records in the region, recording the largest easements to date in both Smyth County, with a 2,693-acre project (*pictured*), and Washington County, with a 288-acre project. The Smyth County easement also happens to be the second-largest easement in the region, and was given a Governor's Environmental Excellence Award in April 2009 for its permanent protection of forest, watershed, open-space, and recreational resources.



“I hope to pass this beautiful land on to my children in a way that will allow them to enjoy its undeveloped beauty as my wife and I have done.”

—Smyth County easement donor

▲ This 2,587-acre property in Smyth County is 95 percent forested and being managed for sustainable timber production. The property hosts a portion of the Appalachian Trail, drains into both the New River and Tennessee River watershed, and is located within the Forest Service Proclamation Boundary, which complements management schemes for wildlife that require a large range.

Central Region

The Central region recorded more than 9,000 acres of new easements in FY 2009. Orange County had the most new projects, with nine in all. The largest and most significant in the county was historic Bloomsbury (*pictured*)—632 acres near the Town of Orange. Notably, the property contains the oldest standing house in the county, constructed in 1722 for James Taylor II, ancestor of Presidents James Madison and Zachary Taylor. The property served as the winter encampment for General Robert E. Lee’s Army of Northern Virginia in 1863-4. In Albemarle County, VOF recorded its largest easement in the region: 1,112 acres of land connected to other properties under easement, forming a contiguous block of more than 2,400 acres of protected open space. Albemarle ranks second in overall VOF easements in the state, with about 60,000 acres.



“The heritage of what we give our children is not in the parceling of land being divided up for monetary value, but in the beauty and strength of character that the land produces in each of us who have lived on it.”

—Madison County easement donor

▲ Built in 1722, Bloomsbury is the oldest house in Orange County and is the ancestral house of two U.S. Presidents—Zachary Taylor and James Madison. Listed on the National Register of Historic Places and the Virginia Landmarks Register, it sits on a 632-acre property that served as the winter encampment for General Robert E. Lee’s Army of Northern Virginia in 1863-4.

Northern Piedmont Region

Land conservation in the Northern Piedmont region remained consistent in FY 2009, with more than 5,500 acres placed under easement. One highlight was a 420-acre farm in Rappahannock County that protects the viewshed from Shenandoah National Park. In Fauquier County, several easements contributed to the greenbelt surrounding Warrenton, including an 890-acre easement on land owned by a non-profit organization (*pictured*) and a 490-acre cattle farm. In Loudoun County, the Town of Purcellville protected its drinking water supply with a 1,272-acre easement—the largest easement in the county. A trend in the region was the increased number of amendments: Approximately 25 percent of the projects were improvements to existing easements, resulting in an additional 150 acres under easement, the reduction of several development rights, and improved buffers.



“Among our objectives ... are to respect the farm’s rich traditions, maintain its agricultural heritage, protect its scenic beauty, and conserve and restore its biological diversity.”

—Rappahannock County easement donor

▲ The non-profit organization that donated the easement on this Fauquier County property currently uses a large portion of the land as the field station for Environmental Studies of the Piedmont—an educational and research program devoted to the preservation of the natural habitat of the region.

Shenandoah Valley Region

In FY 2009, about 16,000 acres of land in the Shenandoah Valley region were protected by VOF easements, making it the fourth consecutive year that the region led in both the number and acreage of easements recorded. The county leader was Rockbridge, with 26 new easements. Of those, more than half protect working family farms. That was the case for most of the easements recorded throughout the Valley, and many of the properties have the added value of bordering other protected land, including George Washington National Forest. One of the properties protected in FY 2009 contains a famous cave, “Breathing Cave,” that is accessible to the public. Another, 702 acres along the Maury River (*pictured*), is managed for wildlife including bobcat, bear, turkey, grouse and quail.



“To me, it is a sanctuary: a place to calm the soul; a place of rest and reflection.... It is hallowed ground and must be preserved for future generations to enjoy and learn.”

—Highland County easement donor

▲ This 702-acre property in Rockbridge County lies along the Maury River approximately five miles upstream from the public water intake for the City of Lexington and approximately two miles downstream from public lands with water access used for recreation. The easement protects more than three miles of river shoreline, provides scenic values along State Route 39, and is managed for wildlife habitat.

Southeast Region

Land conservation took off in the southeastern part of the state in FY 2009. More than 12,000 acres were placed into easements in the region, including the largest project in VOF's history—about 7,000 acres of working timberland in Amelia County, with more than seven miles of frontage along the Appomattox River. Elsewhere, several waterfront farms along the James River were placed into easement, including one of the largest unprotected waterfront farms remaining along the tidal James in Prince George County (*pictured*). VOF also recorded its first ever easement in Greenville County, a 746-acre property containing more than one mile of frontage along the Nottoway River.



“My late father gave me this farm when I was in my 20s. He loved the river and land for all of its beauty, and I feel certain he would have never wanted it developed. This easement precludes that forever.”

—Prince George County easement donor

▲ This 389-acre property in Prince George County contains almost a mile of pristine tidal shoreline on the James River, including a freshwater tidal marsh and mature cypress swamp. About 332 acres are prime farmland soils, with 60 acres of active cropland. The tract also contains mature hardwood forests and a large working forest. The farm adjoins a 2,220-acre farm under easement to The Nature Conservancy.

Southwest Region

FY 2009 was another exceptional year for the Southwest region, with the protection of more than 11,000 acres. The largest tract was the 4,993-acre Smith Mountain easement (*pictured*) spanning Bedford and Pittsylvania counties, which is being co-held with the Virginia Department of Game and Inland Fisheries. The property contains more than 10 miles of shoreline on Smith Mountain Lake, as well as rich forests and rare species. While privately owned by American Electric Power, a cooperative wildlife management agreement provides for hunting, fishing, wildlife observation, and related wildlife management activities. Other properties protected by VOF in the region also included managed hunting and wildlife lands, productive farmland, and historic family farms.



“We are grateful that visionary people of previous generations have protected wild places and natural resources for our enjoyment, and we wish to do the same for those who will come after us.”

—Giles County easement donor

▲ The nearly 5,000-acre conservation easement on Smith Mountain, in the background along the lake, represents one of the largest easement donations in VOF’s history. The mountain is one of the region’s most recognizable landmarks, as it dominates the landscape surrounding Smith Mountain State Park. The easement protects rich wildlife habitat while also allowing public access for outdoor recreation such as hunting and fishing.

Tidewater Region

VOF preserved about 7,000 acres in the Tidewater region in FY 2009. Several projects protect the water quality of the Chesapeake Bay, including bald cypress and tupelo swamp areas along the Dragon Run watershed in King and Queen and Middlesex Counties, and a 1,800-acre family farm in Essex County (*pictured*) with more than five miles of shoreline on the Rappahannock River that provides habitat for bald eagles, waterfowl, and fish. VOF also protected four properties adjacent to Fort A.P. Hill as part of an Army program to buffer the military base from development encroachment, as well as a historic property in King George County known as Marmion, with its impressive collection of intact 18th-century plantation outbuildings—a project done in conjunction with the Virginia Department of Historic Resources.

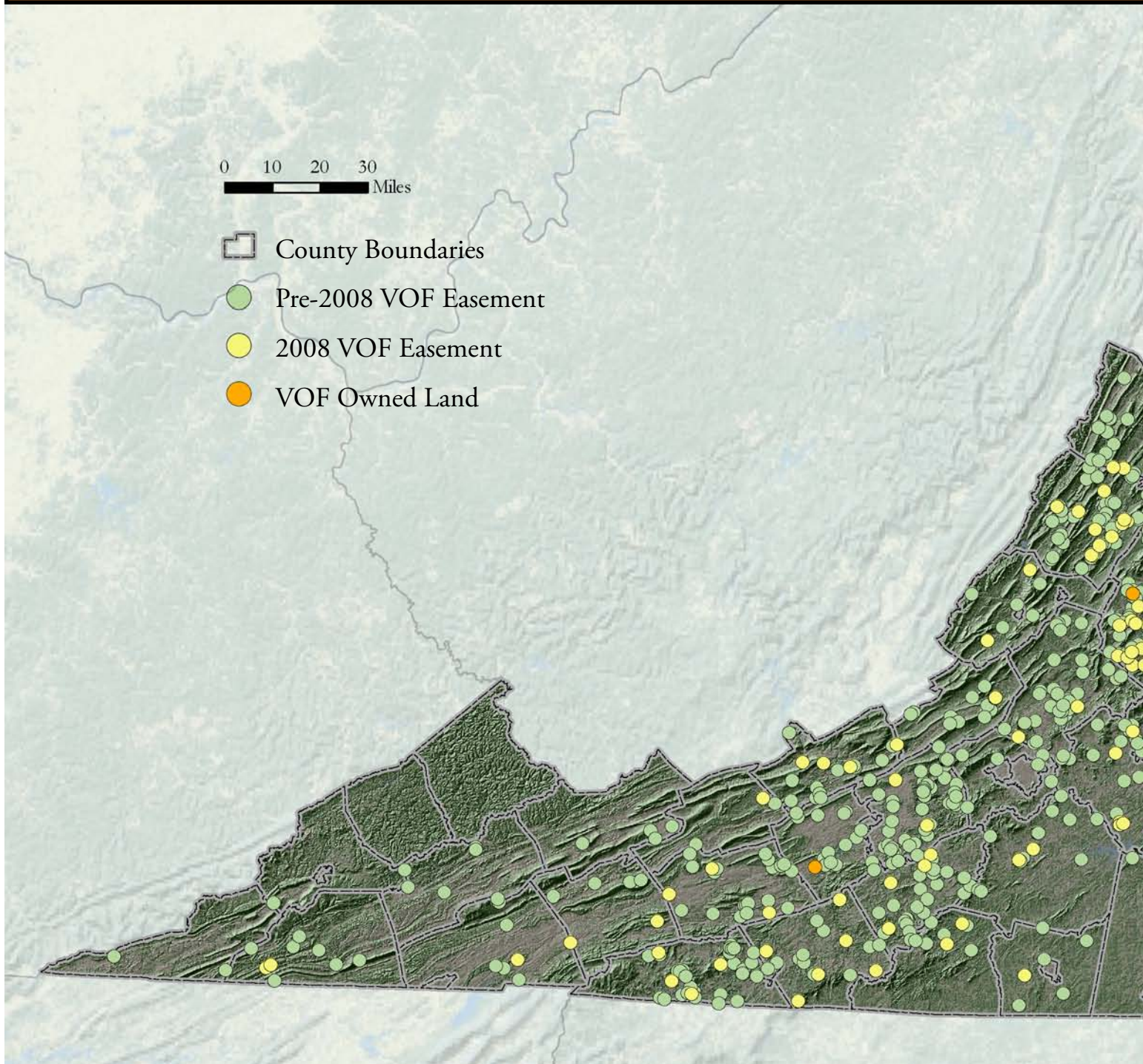


“We feel, as we believe those before us did, that we are intended to be caretakers of this little piece of heaven. We also believe there is no better way to ensure we have done our job well than to place it in conservation easement.”

—Westmoreland County easement donor

▲ This 1,800-acre family farm in Essex County, which lies within the boundaries of the Rappahannock River Valley Wildlife Refuge, contains a diverse mix of open agricultural land, forest land, wetlands, and shoreline along five miles of the Rappahannock River. It also contributes to a federal program that buffers the Fort A.P. Hill military base from development encroachment.

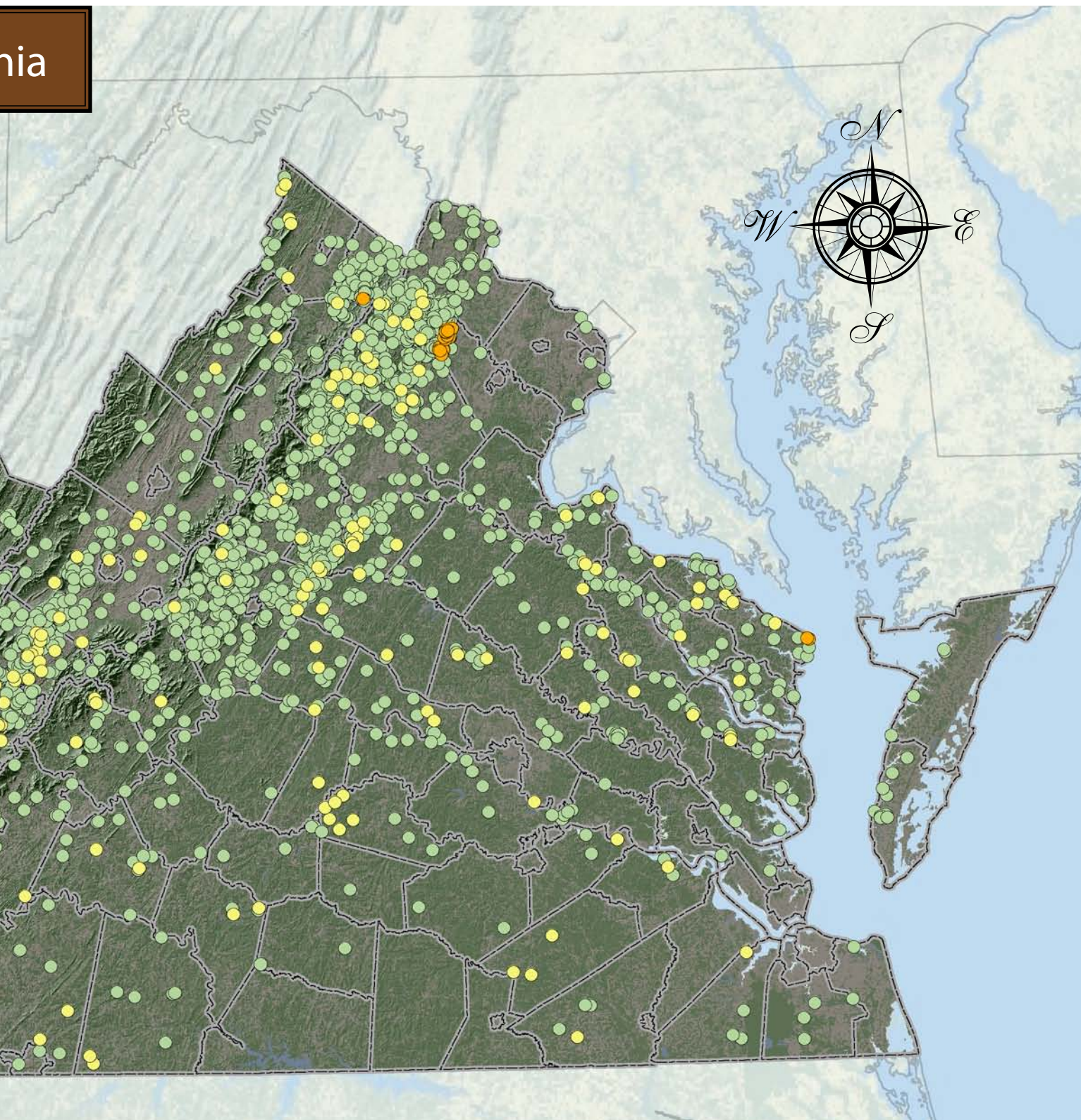
VOF Conservation Lands in the Commonwealth of Virginia



The Virginia Outdoors Foundation currently holds about 2,500 conservation easements, the size of Shenandoah National Park and more than half the size of Rhode Island. These easements are spread across the state. In 2008, Virginians donated nearly 65,000 acres of conservation easements to the Foundation. For more information, contact our communications office at (804) 786-9603.

Map created 3/27/2009. Hill shade data provided by VDCR, forest cover data (2000)

nia



Easements on more than 550,000 acres of land—an area two-and-a-half times the size of Shenandoah National Park—spread across 102 counties and cities, and they range in size from less than an acre up to several thousands of acres. For more information, contact the Virginia Outdoors Foundation (VOF). For county-by-county statistics, please visit our Web site at www.virginiaoutdoorsfoundation.org or call

Information provided by VDOF. Easement points are not to scale. While efforts have been made to verify data, accuracy is not guaranteed.

Annual Financial Statements of the Virginia Outdoors Foundation for Fiscal Year 2009

Assets	Description	Amount
Cash held with the Treasurer of Virginia (GLA 101)		
Cash not held with the Treasurer of Virginia		640,877
Cash Equivalents with the Treasurer of Virginia - Securities Lending		
Local Government Investment Pool - Cash Equivalents		
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		640,877
SNAP Individual Portfolio - Investments		
Investments with the Treasurer of Virginia - Securities Lending		
Local Government Investment Pool - Investments		1,614,123
Investments with the Treasurer of Virginia (excludes SNAP & LGIP)		
Investments not with the Treasurer of Virginia (excludes SNAP)		
Investments - Total		1,614,123
Accounts and Loans Receivable, net		1,001
Taxes Receivable, net		
Interest Receivable		
Other Receivable, net (include description)	USDA-NRCS (FRPP)	500,000
Receivables, Net - Total		501,001
Due from Primary Government (include description)	Supreme Courts - Land Recordation Fee (58.1-817)	126,609
Due from Component Units (include description)		
Inventory		
Prepaid Items		30,992
Cash and Travel Advances		
Advances (nonexchange transactions)		
Unamortized Bond Issuance Expense		
Other Assets (include description)		
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		1,503,438
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		1,503,438
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 (include description)		
Restricted Other Assets - Total		

Annual Financial Statements of the Virginia Outdoors Foundation for Fiscal Year 2009

Nondepreciable Capital Assets	12,242,871
Depreciable Capital Assets, Net	132,728
TOTAL ASSETS	16,792,639

Statement of Net Assets For the Year Ended June 30, 2009

	<u>Description</u>	<u>Amount</u>
Liabilities		
Vendor		95,962
Salaries/Wages		102,328
Retainage Payable		
Other (include description)		
Accounts Payable - Total		198,290
Due to Component Units (include description)		
Unearned Revenue		
Obligations Under Securities Lending Program		
Accrued Interest Payable		
Other Liabilities (include description)	Security deposits	750
Deposits Pending Distribution		
Short-term Debt		
Grants Payable		
Other Liabilities - Due Within One Year - Total		750
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		87,197
Pension Liability - Due Within One Year		
Bond Anticipation Notes - Due Within One Year		
Other - Due Within One Year (include description)		
Long-term Liabilities - Due Within One Year		87,197
Accrued Interest Payable		
Other Liabilities (include description)		
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		29,065
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 (include description)		
Long-term Liabilities - Due Greater Than One Year		29,065
TOTAL LIABILITIES		315,302

Annual Financial Statements of the Virginia Outdoors Foundation for Fiscal Year 2009

Net Assets		
Invested in Capital Assets, Net of Related Debt		12,375,599
Restricted for:		
Nonexpendable		
Expendable		
Capital Projects Construction		
Capital Acquisition		
Gifts and Grants		
Debt Service		
Bond Indenture		
Other (include description)	Bull Runs Mountains NAP	1,503,438
Unrestricted		2,598,300
TOTAL NET ASSETS		16,477,337

Statement of Net Assets For the Year Ended June 30, 2009

	Description	Amount
Program Revenues		
Charges for Services		719,016
Operating Grants and Contributions		1,806,227
Capital Grants and Contributions (include capital appropriations here)		
Income From Security Lending Transactions		
Program Revenues - Total		2,525,243
Program Expenses		
Operating and Nonoperating Expenses		3,230,341
Loss on Sale/Disposal/Impairment of Capital Assets		
Expenses For Security Lending Transactions		
Program Expenses - Total		3,230,341
Net Revenue (Expense)		(705,098)
General Revenues		
Operating Appropriations from Primary Government		2,050,000
Unrestricted Grants and Contributions		199,796
Investment Earnings		79,684
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		2,329,480
Change in Net Assets		1,624,382
Net Assets, Beginning		14,852,955
Net Assets, Ending		16,477,337

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 Region
11 East Beverley Street
Staunton, VA 24401

Southeast Region
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

