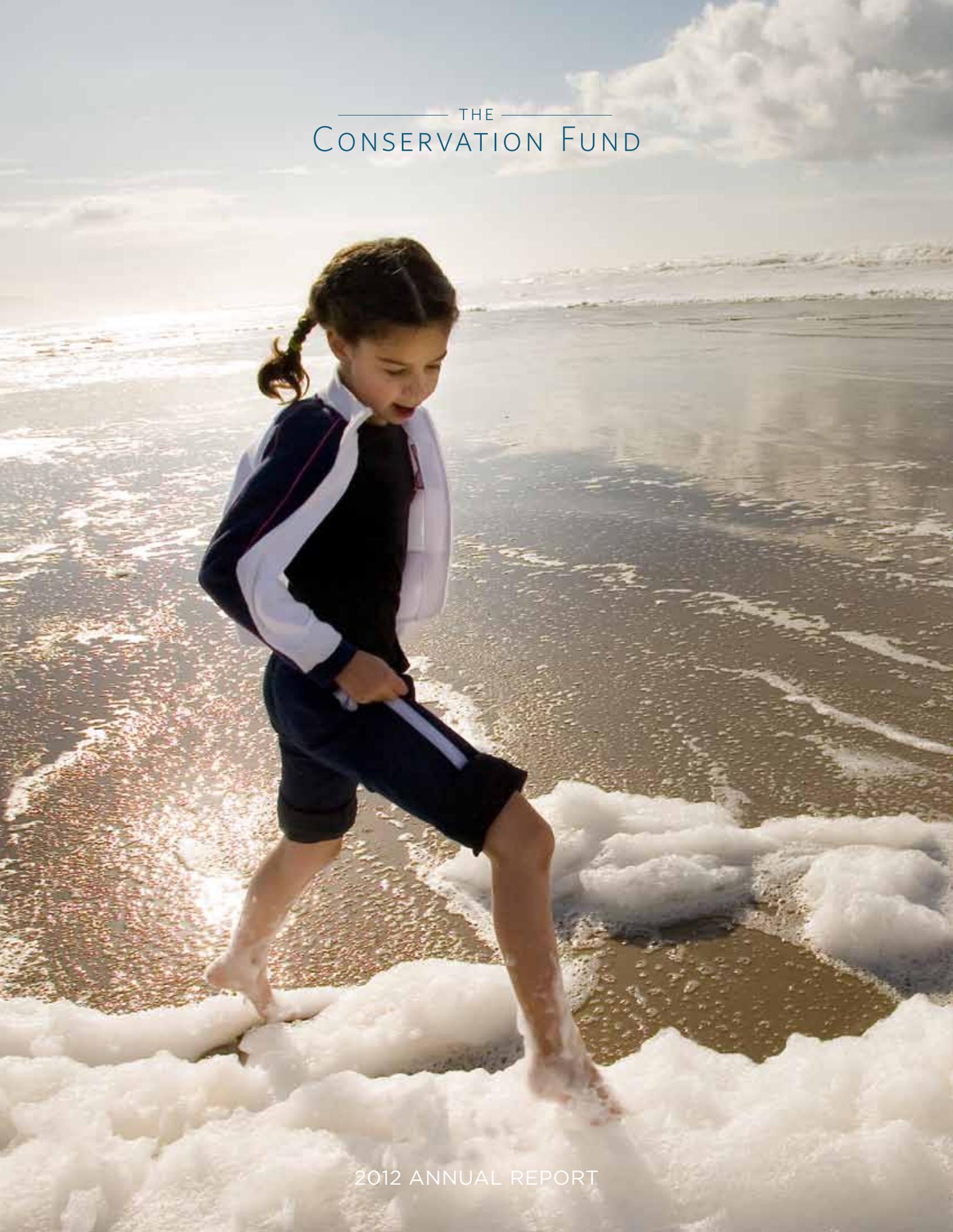


THE  
CONSERVATION FUND



# FROM THE PRESIDENT



One muggy August evening last year, more than 500 people packed a high school auditorium in Greenville, Delaware. Hikers, birders, museum directors, community leaders, CEOs—even a Boy Scout from Troop 70—spoke up for one thing: saving a property called Woodlawn.

The Conservation Fund was part of that late summer session and many that followed. With critical support from Mt. Cuba Center, we took a chance on purchasing the historic 1,100-acre property on the Brandywine River for possible inclusion in the National Park System. Inspired, the community rallied, voicing support in more than 1,000 letters, a dozen editorials and countless conversations. On March 25, 2013, President Barack Obama designated the property part of First State National Monument—Delaware's first. Finally, more than 140 years after President Theodore Roosevelt designated Yellowstone as America's first national park, all 50 states are now represented in our National Park System.

Our experience in Delaware is not unique. All across America, people and communities share a passion for conservation and a hunger for new solutions. They know that land

conservation can directly improve our most pressing issues: food security, reliable energy, available water, job creation and livable communities.

At the Fund, we believe that conservation needs to move quickly, take smart risks and innovate. That's how we operate. Based on our effectiveness and efficiency, leading reviewer Charity Navigator ranks us among the top 1% of charities nationwide. Since 1985, we have conserved more than 7 million acres across 2,500 projects in all 50 states. But there is much more to do. In 2012, we committed to accelerate the pace of local conservation nationwide by expanding our lending to land trusts. With support from our Board, we increased our loan capacity to \$35 million and made 19 loans to land trusts and other nonprofit organizations. Since 1993, we've provided more than 180 loans totaling \$100 million, allowing our local partners to protect more than 96,000 acres across 33 states. This work continues to grow as we help communities focus forward.

Even as we zoom in to advance local communities, we're also stepping back and scaling up to strategically conserve large landscapes. Our work to save sage grouse habitat in the

West is helping ranchers improve their economics, conserve their land, upgrade grazing systems and protect at-risk species. In 2012, we also continued our focus on working forests, conserving more than 75,000 acres coast to coast. These working lands provide local jobs, protect wildlife habitat and establish sustainable land management strategies that offer benefits for years to come.

No other national conservation group has worked for nearly 30 years with a joint mission to conserve land and promote economic development. Our track record is strong, and our future is bright. But we can't succeed alone. We need your partnership, and we need your financial support. Please join us.

Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read 'Lawrence A. Selzer'. The signature is fluid and cursive, with a large, sweeping initial 'L'.

Lawrence A. Selzer  
President

# 2012 FINANCIALS

## COMBINED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

For the year ended December 31, 2012, with comparative totals for 2011

SUPPORT AND REVENUE	2012 TOTAL	2011 TOTAL
Individual Contributions	22,419,616	10,500,750
Foundation Contributions	38,418,235	23,228,044
Corporate Contributions	1,953,091	7,708,873
Gifts of Land	14,867,434	15,654,728
Other Contributions	1,789,919	2,898,243
Conservation Land Transactions	41,931,398	104,962,054
Federal and State Grants	22,277,048	58,483,469
Contract Income	3,317,585	4,468,665
Mitigation/Carbon/Timber	19,254,387	8,759,810
Investment and Other Program Income	16,413,044	7,841,429
<b>TOTAL SUPPORT AND REVENUE</b>	<b>\$182,641,757</b>	<b>\$244,506,065</b>

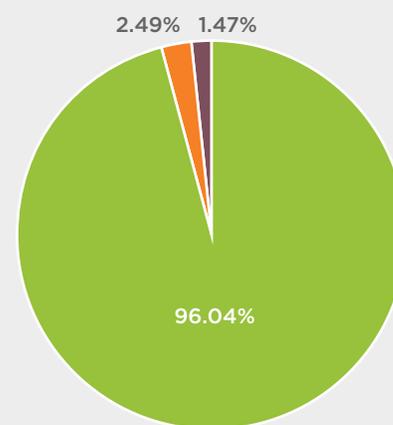
EXPENSES	2012 TOTAL	2011 TOTAL
Programs	133,385,238	190,950,837
Management and General	3,463,067	3,132,024
Fundraising	2,038,114	1,915,046
<b>TOTAL EXPENSES</b>	<b>\$138,886,419</b>	<b>\$195,997,907</b>

CHANGE IN NET ASSETS	\$43,755,338	\$48,508,158
NET ASSETS, BEGINNING OF YEAR	\$445,143,034	\$396,634,876
NET ASSETS, END OF YEAR	\$488,898,372	\$445,143,034

## USES OF FUNDS - 2012

Programs	\$133,385,238
Management and General	\$3,463,067
Fundraising	\$2,038,114

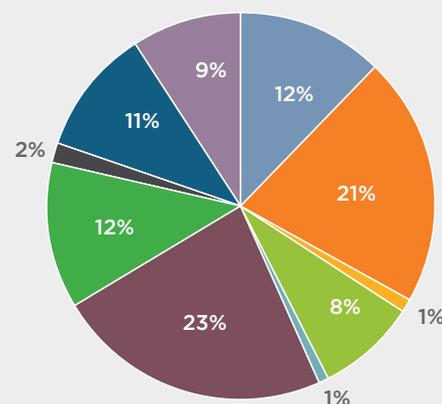
**Total** **\$138,886,419**



## SOURCES OF FUNDS - 2012

Individual	\$22,419,616
Foundation	\$38,418,235
Corporate	\$1,953,091
Gifts of Land/Other	\$14,867,434
Other Contributions	\$1,789,919
Conservation Land Transactions	\$41,931,398
Federal and State Grants	\$22,277,048
Contract Income	\$3,317,585
Mitigation/Carbon/Timber	\$19,254,387
Investment and Other Program	\$16,413,044

**Total** **\$182,641,757**





CLOCKWISE FROM TOP LEFT: MAUREPAS SWAMP WILDLIFE MANAGEMENT AREA, LOUISIANA © SEAN GARDNER; NASHVILLE, TENNESSEE © BLUECIEL USA; GIBSON MARIPOSA BUTTERFLY PARK, LOS ANGELES, CALIFORNIA © WHITNEY FLANAGAN; GIBSON MARIPOSA BUTTERFLY PARK, LOS ANGELES, CALIFORNIA © WHITNEY FLANAGAN

# SAVING LAND TO...

## LIVE

### **An Emerald Necklace For L.A.**

Conservationists in Los Angeles County, California, are converting abandoned lots, empty street medians and other neglected spots into pockets of green that ultimately will connect 62 cities in an “emerald necklace” of parks and trails from the San Gabriel Forest to the Pacific Ocean. To advance this effort, we’re providing financing and strategic conservation planning to nonprofit Amigos de los Rios. This exciting new project builds on our urban green infrastructure work in greater Houston, Chicago, Nashville and Milwaukee.

### **Shelter From The Storms In New Orleans**

Louisiana is home to nearly half of America’s wetlands, and these swampy areas offer a key natural defense against storms and floods. We’ve worked for more than a decade to help the state better protect greater New Orleans by establishing and expanding the Maurepas Swamp Wildlife Management Area. In 2012, we provided approximately 30,000 acres to the state, for permanent protection and full public use. To date, we’ve protected more than 104,000 acres of wetlands here.

### **Wide Open Spaces For Nashville**

When we completed Nashville’s first open space plan in 2011, we identified the scenic and historic 600-acre Stones River Farm property as a top conservation priority. Recently, Nashville’s Metro Parks and Recreation asked us to act on that priority, conserving Stones River Farm, which ultimately could become part of a 1,500-acre regional park on the Stones River Greenway. The property features almost 4 miles of riverfront, including a scenic bend in the Stones River where it meets the Cumberland.

# WORK

## Support For Wyoming Family Ranches And The Sage Grouse

The Upper Green River Valley is known for magnificent wildlife like the Greater Sage-Grouse and for family ranches that date back generations. We're working to protect both. In 2012, with support from the Knobloch Family Foundation, we launched a campaign to conserve key sage grouse habitat on working ranches statewide. So far, we and our land trust partners have completed five projects, protecting more than 24,000 acres.

## Success Pond Lives Up To Its Name In New Hampshire

The city of Berlin depends on New Hampshire's great outdoors for jobs, recreation and quality of life. We're keeping these connections intact by protecting roughly 9,000 acres of working forest and the nearby 286-acre Success Pond. Now, residents and visitors alike can continue to enjoy the pond and its historic camps, benefit from timber-dependent jobs and develop the area as a world-class outdoor recreation destination. This project deployed our New Forest Fund, which we've used to protect nearly 200,000 acres nationwide.

## A Family Farm Flourishes In Ohio

For more than a century, the Stacy family has raised dairy cattle and tended fruit trees on 24 acres in Marietta, Ohio. In 2012, the Stacys used our \$200,000 loan, leveraged with \$800,000 from the Farm Credit Service, to purchase 95 more acres and expand its business. This project was completed through our Natural Capital Investment Fund, which has helped small businesses leverage \$44 million in critical growth capital since 2001.

## In Michigan, Healthier Food Comes Home

Despite our conservation of 20,000 Michigan farm acres, fresh fruits and vegetables remain out of reach in the "food deserts" of rural Michigan. We're working to change that. With a \$400,000 W.K. Kellogg Foundation grant, we're helping minority farmers increase crop production, store produce and sell food year-round at farmers markets in 11 Michigan counties. We're also providing community grants to help families access healthy food near home.

## Sustainable Fish Success In Indiana

With Lake Erie's stock of yellow perch dwindling, our Freshwater Institute partnered with soybean growers and aquaculture experts to return a sustainable, environmentally responsible supply of this Great Lakes favorite fish to the tables of Midwestern restaurants and homes. The Indiana Soybean Alliance worked with Bell Aquaculture to develop soy-based feed for farm-raised Bell Perch®. We've developed a land-based, closed system that minimizes water use, reduces disease risk in farm-raised perch and other fish and captures water waste to fertilize Indiana soybean fields. Our approach conserves water, reduces fertilizer use and provides healthy food and local jobs.

CLOCKWISE FROM TOP LEFT: FORESTS OF THE MAHOOSUC RANGE, NEW HAMPSHIRE © PAUL REZENDES; FARMERS MARKET, MICHIGAN © IVAN LABIANCA; UPPER GREEN RIVER VALLEY, WYOMING © MARK GOCKE; FRESHWATER INSTITUTE © PEGGY GREB





CLOCKWISE FROM TOP LEFT: BRANDYWINE VALLEY, DELAWARE © PAT AND CHUCK BLACKLEY; LESSER PRAIRIE-CHICKEN © JOHN SPENDELOW; HARRIET TUBMAN © NATIONAL ARCHIVES; MARYLAND'S EASTERN SHORE © DAVID HARP

# LEARN

## The First National Monument For Historic Delaware

Delaware's Brandywine Valley represents the very start of America: a place where General George Washington fought for independence, Ben Franklin printed ideas that changed lives and artist Andrew Wyeth captured pastoral beauty. In March, 2013, Brandywine Valley made history all over again when President Obama designated a local property known as Woodlawn as part of the First State National Monument. We helped make this designation possible by purchasing the historic 1,100-acre property, thanks to a gift from Mt. Cuba Center, and donating it to the National Park Service. The new national monument is Delaware's first. Finally, more than 140 years after America's first national park was created, all 50 states are represented in our park system.

## Maryland's Underground Railroad National Monument

Born on Maryland's Eastern Shore, Harriet Tubman spent nearly 30 years of her life as a slave. She escaped but repeatedly returned to Maryland to lead other African Americans to freedom along the Underground Railroad. In March, 2013, President Obama designated the Harriet Tubman Underground Railroad National Monument in

Maryland. We helped make this possible by donating a 480-acre property at the heart of the monument to the National Park Service. It includes the former home site of Jacob Jackson, a "free black" who helped Tubman rescue her brothers in a dramatic escape.

## The Lesser Prairie-Chicken Gains Ground In New Mexico

As prairie grasslands have been plowed under, populations of the Lesser Prairie-Chicken have also dwindled. In 2012, we purchased 42,000 acres of federal and state grazing permits and leases, as well as 2,500 acres of private land, on a New Mexico property called Sand Ranch. A prairie chicken stronghold, this area is also home to the endangered Sand Dune Lizard. By leveraging private funds and additional support from Concho Resources and the Richard King Mellon Foundation, we were able to purchase Sand Ranch for the Bureau of Land Management (BLM). With this and previous projects, we've conserved most of the land within the BLM's nearly 58,000-acre Area of Critical Environmental Concern for the Lesser Prairie-Chicken.

# EXPLORE

## Alaska's Cold, Wild Kenai River

Alaska's wild salmon are a natural and economic wonder. One of the areas where this amazing journey from spawning grounds to sea takes place is in the cold, wild Kenai River. We've been part of that story for 15 years, collaborating with the U.S. Fish and Wildlife Service and other partners to protect more than 700 acres along or near this key Alaskan river. In 2012, we conserved more than 260 acres of prime salmon spawning habitat: a place that native Alaskan families and wildlife, such as brown bears, depend on to survive. This is wilderness at its best—and we're working to keep it that way.

## A Monumental View At Oregon's Cascade-Siskiyou

Oregon's Cascade-Siskiyou National Monument is the first created specifically to protect biological diversity. Whether hiking the Pacific Crest Trail, climbing Pilot Rock or just exploring, you'll find soaring views, hushed tree groves and more than 3,500 species. In 2012, we conserved the largest remaining privately held property—more than 2,750 acres—within the monument. The federal Land and Water Conservation Fund provided key support, allowing us to purchase this property for the Bureau of Land Management.

## A New Forest Legacy For Wisconsin

We're working to create the 68,000-acre Brule-St. Croix Legacy Forest, slated to become the state's largest conservation project. By preserving this sustainably managed working forest, we're protecting: public access to 40 miles of trails; clean water impacted by 13 miles of streams and 70 small lakes; and key habitat for Sharp-tailed Grouse, American Woodcock and the federally endangered Kirtland's Warbler. In 2012, we completed the first phase of this project, protecting nearly 45,000 acres; in 2014, we plan to add 22,000 final acres. Our partners include the Wisconsin Department of Natural Resources and Lyme St. Croix Forest Co., with assistance from The Nature Conservancy.

CLOCKWISE FROM TOP LEFT: KENAI PENINSULA, ALASKA © CARR CLIFTON; CASCADE-SISKIYOU, OREGON © BENNETT BARTHELEMY; BROWN BEAR FEEDING ON SALMON AT KENAI RIVER, ALASKA © ACCENT ALASKA; BRULE-ST. CROIX LEGACY FOREST, WISCONSIN © COLDSNAP PHOTOGRAPHY



For a more complete picture of our work in 2012, including recognition of our donors and board members, please visit our website:  
[www.conservationfund.org/who-we-are/annual-report/](http://www.conservationfund.org/who-we-are/annual-report/)

# THE CONSERVATION FUND

At The Conservation Fund, we combine a passion for conservation with an entrepreneurial spirit to protect your favorite places before they become just a memory. A hallmark of our work is our deep, unwavering understanding that for conservation solutions to last, they need to make economic sense. Top-ranked, we have protected more than 7 million acres across America.

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**Cover Image:** © Michael Durham

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