




YEARS OF IMPACT

2016-2017 ANNUAL REPORT



Conservation easements on Texas farms and ranches have benefits that go far beyond the fence line.

- **Natural Resources:**

Privately-managed working lands host the water we drink, filter the air we breathe, and are home to wildlife habitat.

- **Community and Heritage:**

Wide open spaces and unique rural towns are part of the Texas legacy.

- **Economic Productivity:**

Agriculture generates \$100 billion annually for the Texas economy, with hunting, fishing and outdoor recreation contributing another \$15.8 billion.

The work of the Texas Agricultural Land Trust benefits ***all*** Texans.

DEAR SUPPORTER,

The word “impact” is most often used as a noun to mean the measurable result of an action. Using that definition, the Texas Ag Land Trust’s impact has been to partner with Texas landowners to protect almost 226,000 acres of agricultural lands.

Looking beyond just total number of acres, these conservation easements have in turn protected 228,000 acres of watersheds and 960 miles of streams, creeks and rivers. And there’s more: 39,000 acres of white-tailed deer habitat, cattle can continue to graze 224,000 acres of rangeland and 830 acres of farmland can keep producing the food we eat.

By conserving productive open space, the Texas Ag Land Trust has helped to prime Texas’s vast economic engine. According to the Texas Agricultural Statistics Service, the food and fiber sector has a \$100 billion impact on the state’s economy. Hunting, fishing, and outdoor recreation add another \$15.8 billion in impact. Open space is vital to the state’s economy.

What is harder to measure is our education and outreach. Last year, the Texas Ag Land Trust team reached 5,150 people through workshops, presentations, and booths at conventions. In an effort to raise awareness of the role that private lands play in providing the state’s water resources, we preached No Land No Water through billboards, a website, and social media. True to our founders’ wishes, we provided information on conservation easements so landowners can make up their own minds if one works for them.

The word “impact” also means influencing outcomes, not just measuring them. At the Texas Ag Land Trust, we ask ourselves every day, “How can we most effectively impact private lands conservation across the state?”



As the Texas Ag Land Trust celebrates its 10th birthday, our organization is strong. It has grown from one woman to a team of seven who bring diverse expertise to the entire process of land conservation. Our dedicated Board of Directors is focused on ensuring that the organization has the resources to last into perpetuity – just as our conservation easements will.

A decade is a notable milestone. As we consider our future and our past at this juncture, we want to hear from you. We want to know what you see as our successes and what you think we can do better. We want to set the bar high for the next 10 years, but we want to strive to clear the bar with deliberation, meaning and unerring purpose.

Thank you for your support. The Texas Ag Land Trust—and Texas—are better for it.

Sincerely,



Clark Willingham
Board Chair



Blair C. Fitzsimons
Chief Executive Officer

HERFF FARM

PROFITS



“Herff Farm not only represents our past, but our future.”

Over the past ten years, the Texas Ag Land Trust has partnered with landowners to protect working farms and ranches, thereby conserving the rural lands and open space that are so valuable to Texas. Two of our easements, Herff Farm and the Tomahawk Conservation Bank, represent innovative approaches to conservation that we are proud to be a part of.

In the case of Herff Farm, the descendants of Dr. Ferdinand Herff, one of the early settlers of Boerne, saw an opportunity to protect their forefather’s legacy with a conservation easement on the 60-acre farm that was the site of Herff’s homestead. Today, the property is owned by the Cibolo Nature Center and operated as an ag education facility. “Herff Farm not only represents our past, but our future,” said Carolyn Evans, Cibolo executive director and a descendant of Dr. Herff. “It was the site of one of the first agriculture operations in Kendall County. Today, as an education center, it offers an opportunity to help modern Texans reconnect to the land and understand the complex, vital relationship between natural resources and our lives.”

THE TOMAHAWK CONSERVATION BANK

“Frankly, grass keeps the world together, even though many people have lost sight of the economic, ecological and aesthetic benefits of well-managed rangeland. The Texas Ag Land Trust understands the value of allowing land stewards to continue actively managing the land.”



The Tomahawk Conservation Bank in Yoakum County similarly preserves the legacy of a generational ranching family, while also protecting habitat for the Lesser Prairie Chicken and other sensitive species. The project involved a three-way partnership between the mitigation banker, the Ag Land Trust as conservation easement holder, and the Williams family.

“The conservation bank provided us a unique opportunity,” said Kirk Williams. “By selling our development rights to the conservation bank, we could ensure that the land would never be developed for other purposes, stabilize the habitat, and have money set aside to accomplish our management goals that honor our family’s commitment to leave the land better than we found it.”

The Texas Ag Land Trust is proud to partner with the Williams and Herff families. We commend both of these families for their innovative approaches to keeping family land together, while promoting the value of conservation and partnership.



“We have had impact in every corner of this state. Our work takes us from the South Texas brush country where I was raised, up to the rolling plains of the Panhandle, back out to far West Texas, and across to the fields and farms of Southeast Texas. Throughout this span of land are over 226,000 acres of farms and livestock, wildlife habitat, and natural resources that we have helped protect in partnership with private landowners – and now they can continue their long-term stewardship of this land on a daily basis, as a living, and as a way of life.”

– James Oliver,
Chief Operating Officer

TEXAS AG LAND TRUST FINANCIAL HIGHLIGHTS

FOR THE YEAR ENDING MARCH 31, 2017

Statement Of Financial Position

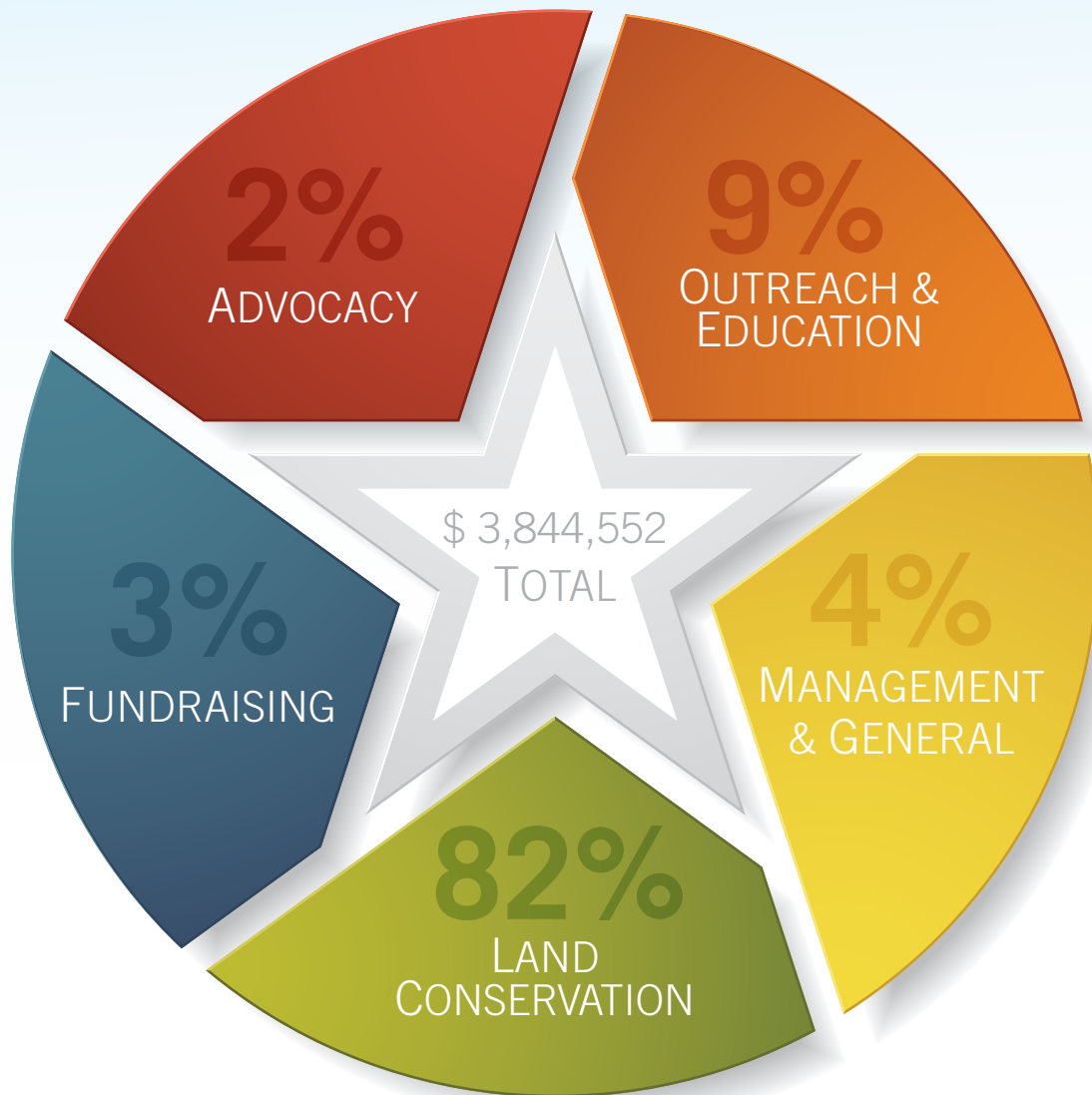
ASSETS	2017	2016
Cash and Investments	\$ 2,196,156	\$ 1,247,908
Receivables	2,138,924	2,428,041
TOTAL ASSETS	4,335,080	3,675,949
LIABILITIES AND NET ASSETS		
Accounts Payable	33,064	39,356
Unrestricted Net Assets	271,770	189,085
Unrestricted - Board designated:		
Stewardship	772,252	609,041
Easement defense	95,594	75,000
Operating reserve	370,326	366,625
Temporarily Restricted Net Assets	1,251,377	1,495,478
Permanently Restricted Net Assets	1,540,697	901,364
TOTAL LIABILITIES AND NET ASSETS	\$ 4,335,080	\$ 3,675,949

Statement Of Activities

REVENUE AND SUPPORT		
Contributions:		
Foundation and Government Grants	\$ 624,803	\$ 771,324
Individuals and Corporations	1,365,927	573,501
Donated Conservation Easements	2,413,913	
Fees for Service and Events	22,523	49,889
Income Investment/Other	82,809	3,074
TOTAL REVENUE AND SUPPORT	4,509,975	1,397,788
EXPENSES		
Program	673,050	468,888
Conservation Easements	2,895,180	
Management and General	174,682	175,612
Fundraising	101,640	116,463
TOTAL EXPENSES	3,844,552	760,963
CHANGE IN NET ASSETS	\$ 665,423	\$ 636,825

Texas Ag Land Trust created the Texas Agricultural Land Trust Foundation to house endowment and stewardship funds. Investment income from these funds provide for ongoing operations in perpetuity. These financial highlights includes activity from both the Texas Ag Land Trust and its supporting foundation. A copy of the audited consolidated financial statements are available upon request. As of March 31, 2017, Texas Ag Land Trust held conservation easements from 20 landowners comprising 225,886 acres.

PROGRAM AND OPERATING EXPENSES



“Basic financial acumen teaches us that resilient sustainable organizations have diversified streams of revenue. Depending on just a few income sources can be detrimental to the financial health of an organization. Texas Ag Land Trust has operated under this premise since inception and built numerous sources of revenue: annual fund, stewardship endowments, earned negotiation fees, operating endowment, major gifts, board giving and foundations. We recognize that our easements are in perpetuity, so should be our organization.”

– Dina McIlhenny, Director Of Finance

THE IMPACT

Through partnerships and collaboration, the Texas Ag Land Trust continues to communicate the need to conserve Texas' rural lands and wide open spaces. By serving as a resource, we help families decide how best to create a legacy of conserved lands for the benefit of future generations.



Conservation comes in many forms. The Texas Agricultural Land Trust strives not only to serve as a resource for landowners considering a conservation easement, but also as a source of information about opportunities offered by other organizations.



SPOTLIGHT ON THE COASTAL LAND LEGACY INITIATIVE

Funded by the National Fish and Wildlife Foundation (NFWF), our Coastal Land Legacy Initiative (CLLI) had a productive year, as we continued to advocate for the agricultural conservation easement as a voluntary tool to conserve open space in the ten-county coastal bend region from Corpus Christi to Houston. The Texas Ag Land Trust worked closely with local and statewide partners, joining forces with and highlighting programs offered by NRCS, TPWD, Texas State Soil and Water Conservation Board, Texas A&M AgriLife Extension Service, Texas A&M Natural Resources Institute, Texas Grazing Land Coalition, and Gulf Coast Cattlemen.

Texas Ag Land Trust staff made presentations at meetings, attended by an estimated 400 landowners, ranchers, other agriculturally related operators, natural resource professionals, municipal officials, attorneys, financial advisors, realtors, and academia. Through booths at meetings, like the South Texan's Property Rights Association's annual meeting, we reached another 450 attendees with our private lands conservation message.

OTHER ADVOCACY AND OUTREACH ACTIVITIES

While CLLI dominated most of our focus for FY 17, we did reach other audiences around the state. Through participation in TSCRA Ranch Gatherings, for example, we communicated the need to conserve Texas' working lands. All in all, the Texas Ag Land Trust outreach efforts reached 5,150 people around the state.



“Outreach efforts aimed at supporting private lands conservation are foremost in my mind every day as I approach my duties with Texas Ag Land Trust. Agricultural conservation easements are one of the most important tools used to accomplish this, though not the only one. We work hard to make ourselves available as a resource for owners of working ag lands in Texas, whatever their goals and objectives, as they strive to protect their agricultural livelihood and land legacy.”

– Ken Cearley,
Stewardship Director

LOOKING AHEAD

CONSERVATION

We work to stem the rapid fragmentation and loss of Texas' rural lands through our outreach, education and land conservation programs.

SUSTAINABILITY

Conservation easements last forever, and so must the Texas Ag Land Trust.

POLICY

We promote public policies and programs to foster the stewardship of farms and ranches that provide open-space, water and native wildlife habitat.



TEXAS AG LAND TRUST DONORS

April 1, 2016 to March 31, 2017

We wish to thank the following donors, without whose support TALT could not meet its mission of conserving Texas' heritage of agricultural land and natural resources.

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Please accept our sincere apologies for any unintentional mistakes or names that have been omitted. We have listed only donations that were received by 3/31/17.

2016-2017

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MISSION MOMENT

While on vacation recently I met a lot of new people who asked what I “do”. I used to say that I was in the non-profit sector, which didn’t sound very interesting. This time I said, “I help ensure that Texans have clean water, fresh air, food, and clothing”. Now that sounded interesting.

I then talked about the Texas Ag Land Trust. I talked about how Texas land is mostly privately owned – the very land which sits over our aquifers, land that is home to cattle and fields of cotton, and land that grows our food. I shared with them what is threatening these things: development and fragmentation. I explained that landowners cannot stop these things alone and that we all share the responsibility of helping them stay on their ranches and keep their farms, for the benefit of all Texans. Of course, I was then challenged with the somewhat typical, “why should we care about helping wealthy ranchers save on taxes or keep their land?”

And I had an epiphany – how can we not care?

What we are doing at the Texas Ag Land Trust transcends tax laws, land ownership, and whether you hunt and fish or not. What we do is about clean air, fresh and abundant water, food, fiber, nature and wildlife around us. I asked my new friends, “Do you need these things? Do you want your children and their children to have these things? Let’s imagine you have to live off only the land that you own, how long could you do it? I know I wouldn’t last long at all because I live in a cute little urban apartment! So, if I want any of these things I have a responsibility to spread this message and support this cause. We *all* do.



– Sandra Velarde, Development Coordinator



www.txaglandtrust.org