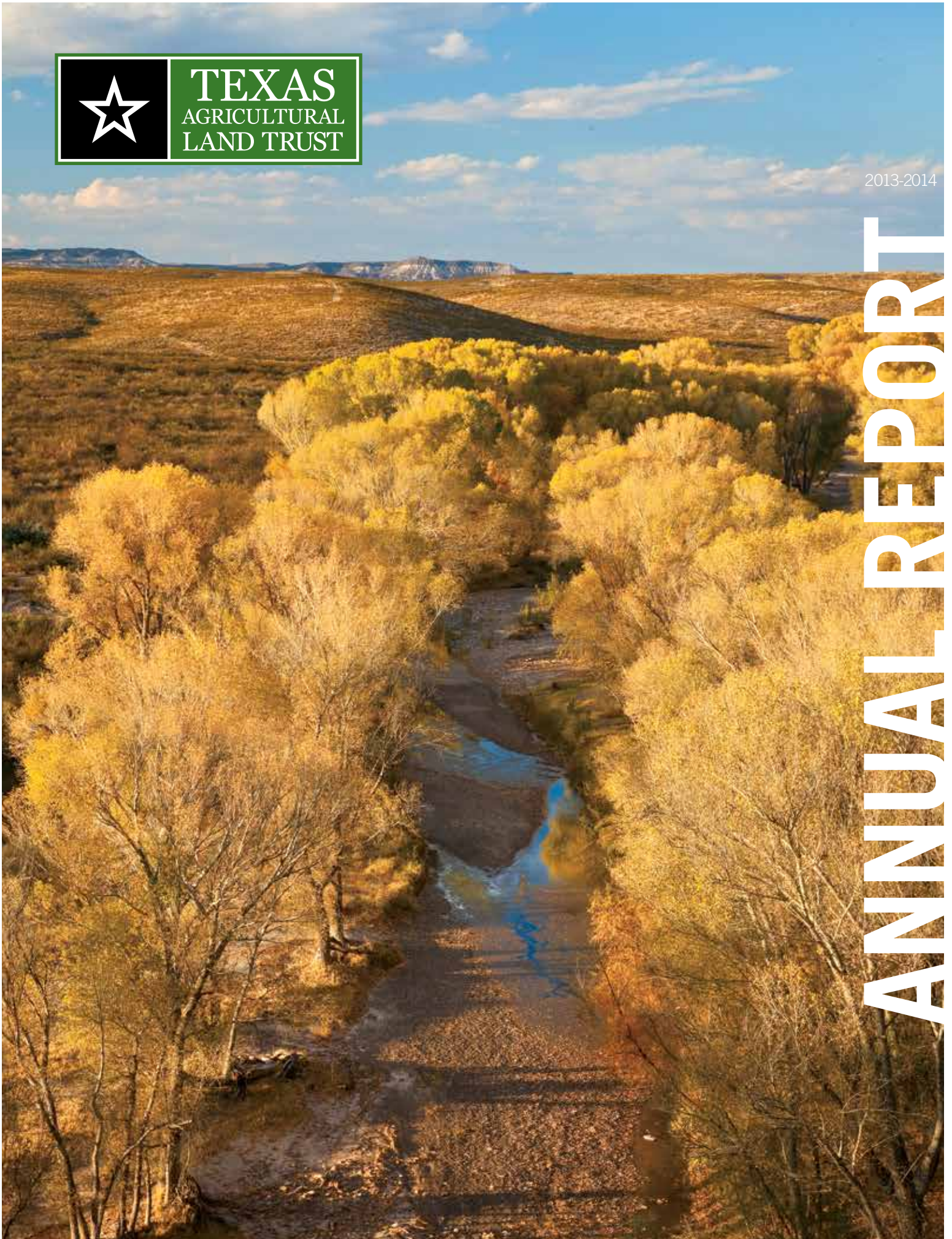




2013-2014

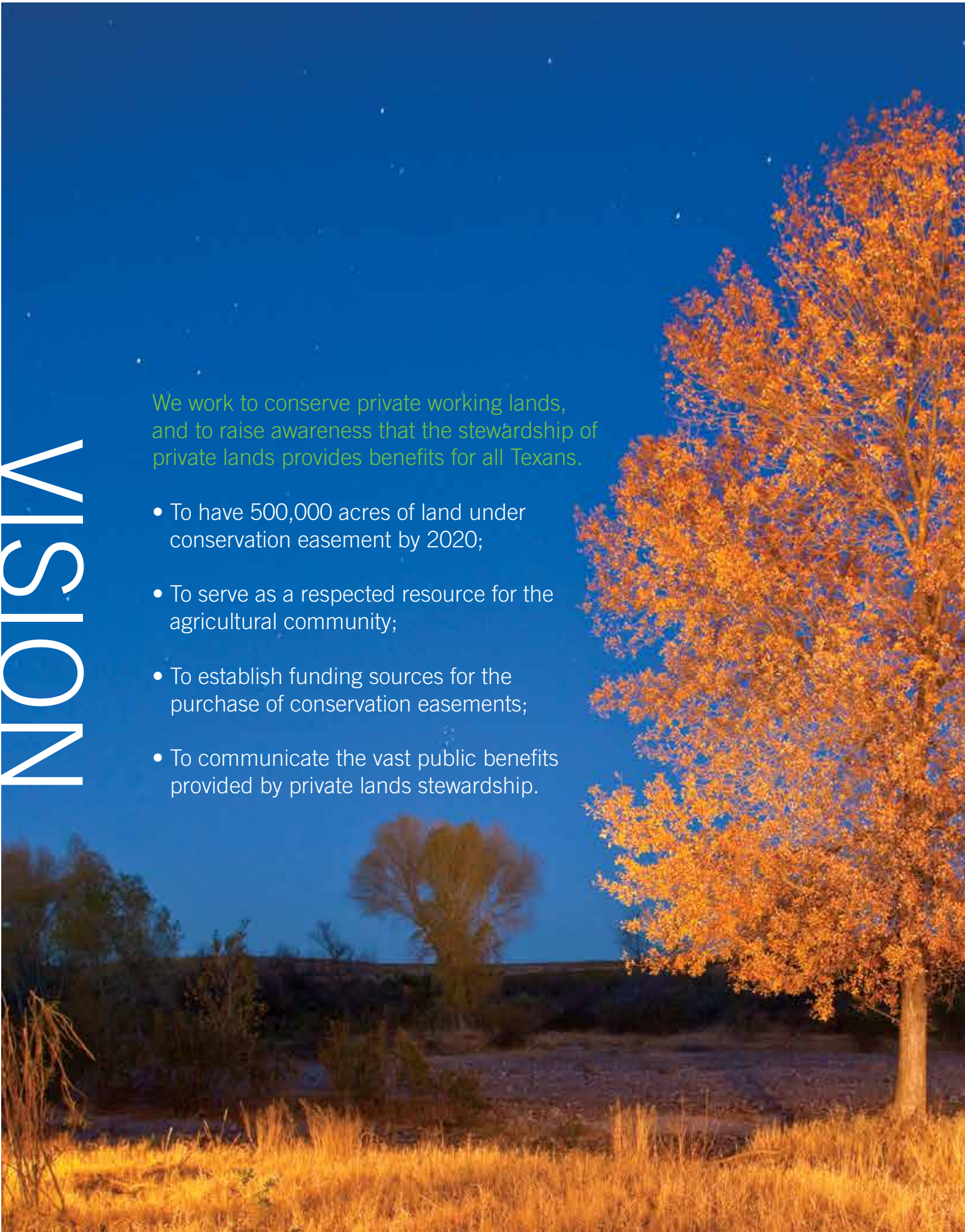
ANNUAL REPORT



VISION

We work to conserve private working lands, and to raise awareness that the stewardship of private lands provides benefits for all Texans.

- To have 500,000 acres of land under conservation easement by 2020;
- To serve as a respected resource for the agricultural community;
- To establish funding sources for the purchase of conservation easements;
- To communicate the vast public benefits provided by private lands stewardship.





DEAR TALT SUPPORTER,

At the Texas Agricultural Land Trust, we work with land stewards every day. It's one of the perks of the job.

stewardship (noun)

1. the responsible overseeing and protection of something considered worth caring for and preserving;
2. the position and duties of a steward, a person who acts as the surrogate of another or others, especially by managing property....

The word “stewardship” means different things to different people. In the conservation world, stewardship is the day-to-day job of taking care of our natural resources. For TALT’s landowner/partners, it means taking care of the working lands that are home to the state’s water, wildlife and other natural resources—for the benefit of all Texans.

Indeed, private working lands stewardship provides the foundation upon which our modern lives depend. Those lands supply the water we drink and clean the air we breathe. This fact makes TALT’s mission of conserving private working lands an urgent one. Texas is losing open space at an alarming rate, thus putting our heritage of private lands stewardship at risk.

TALT is growing to help meet this challenge. In the seven years since our founding, we have been fortunate to partner with dedicated landowners to place conservation easements on almost 225,000 acres of productive working lands. Through our work in Austin and Washington, we have helped to focus the attention of Texas’ lawmakers on the need for policies incentivizing the stewardship of private lands. And, through workshops and social media, we have raised awareness among an urban populace how private lands stewardship benefits them.

Of course, anything TALT accomplishes—past, present and future—is the direct result of your support. As our state’s population continues to grow and the pressures on our landscape continue to build, your support will be even more critical. Thank you, in advance, for your commitment to the open spaces and working lands that sustain all of us.

Best wishes,

Blair C. Fitzsimons
Chief Executive Officer

EASEMENTS



DURING FYE 2014, TALT PARTNERED WITH LANDOWNERS TO CLOSE

BULANEK FARMS

670 acres, Brazoria County. TALT purchased the conservation easement with funds awarded by the Texas Farm & Ranch Lands Conservation Program, a state program housed at the General Land Office. The easement conserves a working rice farm as well as migratory bird and native wildlife habitat.

CANADIAN RIVER RANCH

70,000 acres, Oldham County. A transfer from the Texas Parks & Wildlife Foundation to TALT, the conservation easement includes 28 miles of the Canadian River, thus conserving a significant section of high-quality habitat in the High Plains.



As of March 31, 2014, TALT held fifteen conservation easements for a total of
224,094 ACRES.

THE FOLLOWING CONSERVATION EASEMENTS:

ALAMITO CREEK

Dixon Water Foundation Ranch, 7,200 acre, and MOFN Ranch, 1,000 acres. The two easements on adjacent properties conserve natural springs and timbered watercourses along Alamito Creek in the Trans-Pecos.

LACY RANCH

220 acres, Kendall County. Covering a portion of an historic 1880's Hill Country ranch, the easement conserves significant wildlife habitat and scenic views.

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TALT FINANCIAL HIGHLIGHTS

FOR THE YEAR ENDED MARCH 31, 2014

SOURCES OF ORGANIZATIONAL SUPPORT:

Individual and Business Contributions	\$381,500	62%
Foundations	\$186,950	30%
In-Kind Gifts (Individuals)	\$17,256	3%
Fees for Service and Events	\$25,400	4%
Other	\$2,369	1%

Total \$613,475

DESIGNATED USE OF FUNDS AND SERVICES:

Stewardship	\$190,321	31%
General Operations - Unrestricted	\$217,304	35%
Outreach and Education	\$180,450	29%
Land Conservation Reimbursements	\$25,400	5%

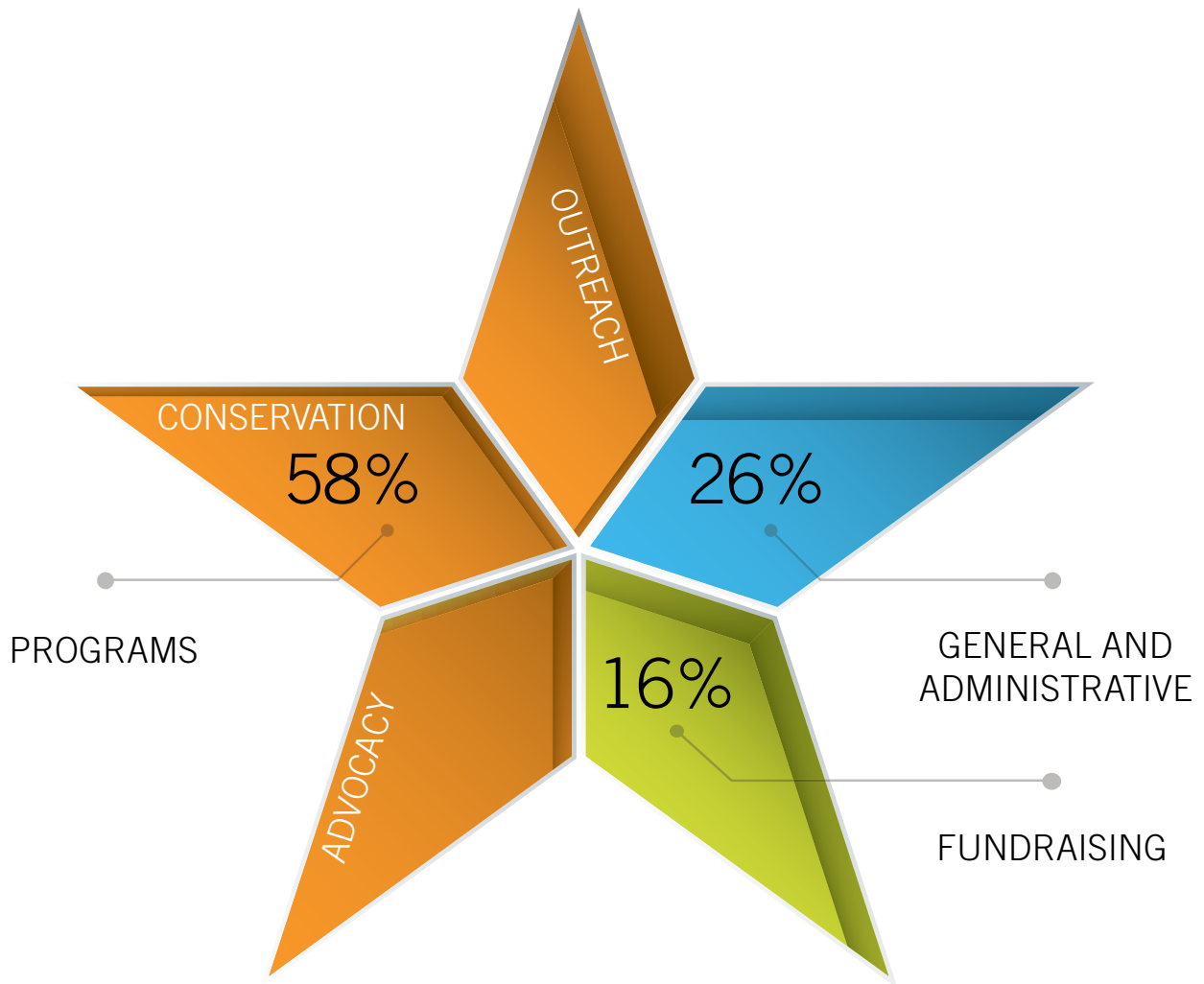
Total \$613,475

PROGRAM AND OPERATING EXPENSES:

Programs: Outreach/Conservation/Advocacy	\$372,677	58%
General and Admin	\$171,727	26%
Fundraising	\$103,271	16%

Total \$647,796

PROGRAM AND OPERATING EXPENSES



The charts on the adjacent page reflect the audited financials for the 12-month fiscal year of April 1, 2013 to March 31, 2014. TALT's net asset value includes unrestricted funds and temporarily restricted funds. Temporarily restricted net assets of \$1,296,651 are available for programs and the stewardship of conservation easements. Multi-year financial contributions are booked per the accrual method; donated conservation easements are booked at a value of \$1. TALT has elected this approach because the conservation easements have no market value. The property right held by TALT provides no affirmative rights beyond the obligation to monitor and enforce the terms of the easement. As of March 31, 2014, TALT held 15 conservation easements on 224,094 acres.

“We all depend on healthy lands and waters, even those people who live in the cities and don’t experience nature as directly as those who live in rural areas,” Potts said. “We have to be vigilant about the health of our ecosystems.”

DIXON WATER FOUNDATION

The mission of the Dixon Water Foundation (DWF) is to promote healthy watersheds through sustainable land management to ensure the availability of water now and in the future. Adaptive, rotational grazing is one of the primary management tools the Foundation uses on its four ranches, located in West and North Texas.

“We chose to enact a conservation easement because it seemed to be the best tool for maintaining private ownership and management

while giving us the most flexibility to achieve our goals for the ranch now and our vision for the ranch in the future,” says Robert Potts, the Foundation’s President and CEO.

The DWF ranch, located south of Marfa, is both a working ranch and a research site. The Foundation is investing both time and money in research-based restoration to mitigate the effects of long-term overgrazing. Alamito Creek, a vital water course that feeds the Rio Grande, is one of



the ranch's primary ecological attributes. Plant surveys have catalogued more than 225 species of vegetation. In addition to all of the indigenous West Texas wildlife such as desert mule deer, scaled quail and Mexican black bear, the creek and its tree-lined banks attracts migratory birds including warblers, vireos, flycatchers, tanager and buntings as well as federally listed mountain plovers and Golden Eagles. Peregrine falcons also frequent the area.

“A conservation easement is not a one-size-fits-all solution, but it does many things well. In our case, a conservation easement held by TALT offered the best balance of conservation and agriculture.”

Robert Potts, President and CEO

ADVOCACY, EDUCATION, & OUTREACH

A large part of TALT's work focuses on communicating the public benefits of private lands conservation. Through a variety of vehicles, we strive to raise awareness that the stewardship of privately owned lands benefits ALL Texans.

Here are a few highlights from 2013-2014:

CONSERVATION EASEMENT WORKSHOPS:

Outreach efforts included a one-day seminar for Panhandle-area landowners, attorneys, accountants and appraisers.

AG INDUSTRY OUTREACH:

TALT hosted booths at trade shows during several statewide conventions, met with national ag organizations, and made presentations at events like the Ranch & Wildlife Expo at the Houston Livestock Show & Rodeo.

CONGRESSIONAL OUTREACH & ADVOCACY:

We traveled to Washington to discuss the Farm Bill's new Agricultural Lands Easement Program and the need to make permanent the enhanced tax incentives for donated conservation easements.

OUTREACH ON THE STATE WATER PLAN:

Through social media, TALT helped raise awareness about the plan to fund state-wide water conservation initiatives. Additionally, CEO Blair Fitzsimons serves on the Region L Water Planning Group.



TALT MILESTONE

In September 2013, the national Land Trust Alliance recognized TALT as an accredited land trust. A rigorous, voluntary process, accreditation is a mark of distinction in land conservation. It recognizes organizations for meeting national standards for excellence, upholding the public trust and ensuring that conservation efforts are permanent.

TALT SUPPORTERS

April 1, 2013 to March 31, 2014

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.

ANNUAL FUND DONORS

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Mr. and Mrs. W.R. Watt
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Joan and Herb Kelleher Charitable Foundation
Meadows Foundation
National Fish and Wildlife Foundation
Shield Ayres Foundation
The Marshall T. Steves Sr. Foundation
Lee and Ramona Bass Foundation
Ewing Halsell Foundation

Please accept our sincere apologies for any unintentional mistakes or names that have been omitted.
We have listed only donations that were received by 3/31/14.



WE FOCUS ON THE FOLLOWING PRIORITIES:



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 TALT.



POLICY

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



www.txaglandtrust.org