

2013 Annual Report

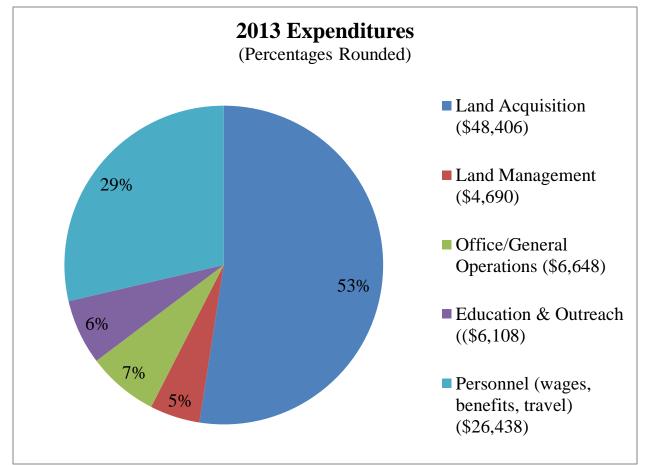
Our Mission: To protect forested land and ecosystems and support rural communities through working forests; to raise awareness of the importance of preserving intact forested ecosystems; and to highlight sustainable forestry and practices for the benefit of the land.

The Board of Directors is pleased to present this annual report providing a brief look at the work and expenditures of the Foundation over the past year and the hopes and plans for 2014.

This past year was one of both challenges and success for the Foundation. They include:

- Efforts to retire the \$165,000 debt from the late 2012 purchase of 85 acres along Caldwell Creek in Warren County. The Foundation was successful last year in obtaining grants totaling \$30,000 and additional individual donations for retirement of the debt, which was a significant help to the Foundation's cash flow, which is a continuing challenge. The Foundation has outstanding grant applications in to regional and national foundations and trusts and continues other fundraising efforts specific to retirement of the debt. This will remain a priority throughout 2014.
- Introduction of the Your Land Your Legacy educational program on estate planning for forest landowners. The program is designed to provide landowners with the information and tools they need to protect their land and conservation values as they pass ownership of the land to their heirs. Board Member Thomas Hoffman, a lawyer and CPA who specializes in estate planning led in development of this program. The Foundation's initial presentation was in partnership with Allegheny College.
- The continued success of the Loving the Land through Working Forests conferences and the Foundation's other educational and outreach programs. The 2013 Loving the Land event drew more than 200 people to the Friday evening Speakers' Program featuring Wendell Berry and more than 100 attended the in-the-field sessions on Saturday. The event has become one of the premier forestry conferences in the Commonwealth.
- Protection of 106 acres in Girard Township, Erie County in partnership with Diane Esser and her family.
- Participation in the 2013 Pennsylvania Private Forest Landowners Conference, the 2013 Pennsylvania Land Conservation Conference and the 2013 Land Trust Alliance Rally. These events are valuable opportunities to explain the work of the Foundation and importance of the preservation and protection of working forests to state and national audiences and to learn of current trends, issues and challenges in conservation.
- Continuation of close partnerships and cooperative programming with other conservation organizations, including the Western Pennsylvania Conservancy, the French Creek Valley Conservancy, the Fishermen's Cover Preservation Foundation, the Chautauqua Watershed Conservancy, the French Creek Conservation Consortium, the Environmental Science Alliance. I Am a Planet Kid, and others.
- Being the subject of an essay by Wendell Berry in the summer 2013 issue of Farming Magazine.

The Foundation's 2013 successes were made possible by the support of our members, donors and many volunteers. The Board of Directors is deeply appreciative.



The Foundation for Sustainable Forests strives to be fiscally transparent and good stewards not only of the land, but of the generous donations from its supporters. This graphic represents a snapshot of our spending in 2013. What it does not show is the monetary value of our volunteers, including the in-kind services of our foresters and land managers.

On the income side, the Foundation had only nominal earnings from its land holdings in 2013, unlike 2012 when considerable income was generated through timber harvests. However, such harvests are only done when they can benefit the land and support a health ecosystem and biodiversity. As a result it will be many years before the Foundation again is able to earn significant income from its current land holdings. Fundraising is thus very important for the Foundation's continued activities.

The 2014 Action Plan

- Work to retire the debt from purchase of the Caldwell Creek property and other acquisitions and improve the Foundation's finances.
- Secure funding for and launch a pilot project in partnership with Pennsylvania Audubon and others to identify the owners of private forest landowners in Crawford, Erie, Venango and Warren Counties; prioritize the properties based on size, ecological value, sensitivity and proximity to other Foundation properties and protected land; and directly contact them regarding forest stewardship, legacy planning and available conservation options.
- Provide another successful Loving the Land through Working Forests Conference on May 16 and 17.
- Significantly expand the Foundation's membership and donor base.
- Continue to grow our educational and outreach programs, including additional presentations of the Your Land – Your Legacy program throughout Western and North central Pennsylvania and Western New York, and working with landowners to protect their land.
- Continue to foster partnerships with other land trusts, conservation organizations and educational institutions.

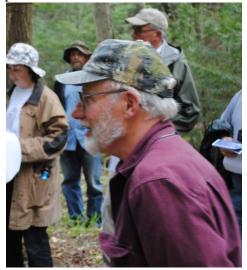
President's Message

Looking forward to 2014, we are currently planning for the upcoming "Loving the Land" conference. This year's conference is going to have two days in the woods with the Pa Tree Farm Committee and The Forest Guild as partners in the event's organization and presentation. The theme of working with others who are promoting good forestry is very important and is going to become even more so in the future.

Because of circumstances, a high percentage of Pennsylvania's forestland owners are nearing an age when their lands are going to be passed to the next generation. Many of these properties were inherited or

purchased cheaply decades ago. The low monetary values of these properties at the time of purchase allowed them to remain intact and often times well forested. Also the age classes of the timber on these stands made them somewhat more resilient to high-grading than the older somewhat degraded stands that they have evolved into. Today's development pressures and higher timber prices are going to cause many of these properties to be sub-divided and have the timber cut with no concern for the future ecological or long-term timber values.

In many other areas of the country, local residents have become accustomed to the rural areas remaining wooded or in agricultural use without being overly concerned about development pressures. When these pressures do arrive, it is usually too late to stop them because of rapidly rising land prices and the resulting community buy-in because existing landowners are profiting economically. This becomes the least



sustainable of all outcomes. The Foundation for Sustainable Forests needs to and wants to partner with other organizations and individuals to save as much as we can from the development rat-race. I believe that our practical approach to conservation can maintain our rural landscape while creating rural jobs.

I am looking forward to seeing many present members and new members on May 16^{th} and 17^{th} at the "Loving the Land" conference where we can try to explain how our forestry practices can be used as a tool to counteract development pressures while helping to sustain "communities". – *Troy Firth*

A Few Pennsylvania Forest Facts

Private landowners own about 71 percent of all the forested land in the Commonwealth, or a total of about 11.5 million acres of the state's 16.8 million acres of forestland. Public lands, such as state forests, state Game Lands, the Allegheny National Forest amount to about 27 percent of the total forest land. Industrial forests (corporate and such entities as Timber Investment Management Organizations [TIMOs] own about two percent of the total.

The average ownership of a privately-owned woodlot is only about 15 years.

The average age of Pennsylvania's forest landowners was 57 in 2012, indicating an unprecedented transfer of forest ownership will take place in the next decade.

The Forest Products Industry currently employs about 70,000 people in Pennsylvania, and is a major contributor to the economy of many rural communities and the state as a whole.

The Foundation for Sustainable Forests is the only land trust to focus specifically on the protection and long-term preservation of working forests and is a leader in sustainable forestry education and advocacy.

Land Management

2013 saw some significant investments of time and money into improving the Foundation's forests.

- Under a grant from Ducks Unlimited, the Foundation finished work to control invasive plants on our Little Elk Creek Property. The property, located in Erie County, contained a large number of multiflora rose, honeysuckle and other invasive plants concentrated around an old home site and within forest stands that have reverted from farm field. These areas of past human disturbance are particularly prone to invasives..
- We planted more than 1,500 seedlings in an abandoned farm field on our Blooming Valley property. Imitating the surrounding forest, we planted tulip poplar and red oak hardwoods along with conifers to acts as temporary "trainer trees."

The coming year will be another busy one. We're planning work to control invasive woody plants on our Troy Center and Grand Valley properties this summer. We'll be conducting post-harvest monitoring on our Cleer property to see if desirable wildflower and tree regeneration is establishing itself.

On our recently acquired Caldwell Creek property we're finalizing a fishing access agreement with the PA Fish & Boat Commission. Expected to close this spring, the agreement will ensure that the public has access to fish along Caldwell Creek and is a partnership with the commission that helped enable purchase and protection of the property. Weather permitting, we'll likely conduct a small commercial timber harvest on portions of the property this summer or fall.



This year, 2014, will be my 10^{th} year working with the Foundation. Ten years is enough time to give me some perspective on the growth of our forests. It's very rewarding to walk through a property and see the fruits of our labor; that the forest is developing and improving as a result of our work. Because of forest pests, and climate change I know that we will face setbacks in the coming years. But I have faith that by working humbly and following nature's lead, forests will continue to thrive under our stewardship. I have that faith because I've seen it happen over the last the 10 years. – *Guy Dunkle*, Member Board of Directors and Land Manager.

An Invitation

The Foundation for Sustainable Forests invites you to learn more about its work, its current and future projects, its forest management principles and approaches, and the need to forever protect Pennsylvania's forested lands. You can learn more at its Web site: <u>www.FoundationForSustainableForests.org</u>.

For specific questions, to request a speaker or other direct inquiries please email: Info@FoundationForSustainableForests.org.

And we urge you to become a member of the Foundation. Memberships are available for just \$5 for students, \$15 for individuals, \$25 for families and \$50 + for a sustaining membership.

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