Bigger Vision, Bigger Work, Bigger Impact

I have always admired The Nature Conservancy for its unrelenting commitment to improvement and increased impact. In Washington D.C. last June for a meeting with Conservancy staff and volunteer leaders from around the world, I witnessed this commitment on impressive display. Over three days, I learned about the Conservancy’s ambitious but grounded plans to address the largest and most urgent conservation challenges facing people and nature around the globe.

The Nature Conservancy, from Kentucky to Mongolia and Kenya to Canada, is working together on four fundamental priorities:

**PROTECT LAND AND WATER** – This work is fundamental to the Conservancy’s identity and our conservation success. We are now focusing on much larger projects, bringing in new, innovative financing and targeting lands and waters that science identifies as resilient to a changing climate.

**TACKLE CLIMATE CHANGE** – The Conservancy is committed to bringing our pragmatic, nonpartisan approach to the most significant environmental challenge we face. We will implement and promote readily available, cost-effective natural climate solutions, such as reforestation, and drive policy changes to accelerate our transition to a clean energy future.

**PROVIDE FOOD AND WATER SUSTAINABLY** – With a global population headed towards 10 billion by 2050, the Conservancy is using science and economics to create sustainable supplies of food and water and reducing the negative environmental impacts of agriculture, fishing, and water supply.

**BUILD HEALTHY CITIES** – Globally, we are witnessing the largest human migration in history – people moving to cities. We cannot have a sustainable planet without sustainable cities, and the Conservancy is demonstrating how nature-based solutions, such as planting trees and restoring floodplains, can address urban challenges, including water and air pollution.

At the Washington meeting, I was also struck by the leading role Kentucky is playing in the Conservancy’s quest for bigger impacts. As David highlights in his letter and as you’ll see in this Year in Review, many of these global initiatives touch down here in Kentucky.

It has been said that change is the only constant. While remaining true to our mission, the Conservancy is changing how we work because the threats to our natural world and human communities demand it. The work ahead is not easy, but the Conservancy is leaning into the job. As I reflect on my tenure as chair of the Kentucky Board of Trustees, I am so proud of the progress we have made and am quite bullish on our future. I am also so grateful to all our supporters who help us drive towards more significant and more lasting results for people and nature – in Kentucky and around the globe.

Kris Sirchio
Board Chair
I attended the same meeting with Kris, and I was also struck by both the size of the challenges our planet faces and the ambitious strategies we are implementing to secure a healthier, more sustainable world for people and nature. Additionally, I am proud how our work in Kentucky contributes to these fundamental strategies. We are a small program, but our work is significant. This Year in Review documents our many successes from 2018 and how we are laying the foundation for even more significant wins in 2019.

PROTECT LAND AND WATER – Conservancy scientists have identified the Central Appalachian Mountains, including eastern Kentucky, as home to globally important forests and North America’s most resilient and important corridor for wildlife and source water protection. Kentucky is working with colleagues in surrounding states to advance several large land deals in this critical landscape. We made great progress in 2018; stay tuned for big news in the coming months.

TACKLE CLIMATE CHANGE – Conservancy scientists have demonstrated that natural climate solutions can provide up to 30 percent of our near-term emission reduction targets. The Conservancy’s Working Woodlands program provides a powerful tool for implementing these solutions at scale in those same Appalachian forests. We are now busy with several large deals in Kentucky and look forward to closing our first projects in 2019.

PROVIDE FOOD AND WATER SUSTAINABLY – One of the biggest challenges associated with agriculture is nutrient pollution of downstream waters. We are addressing this challenge in two ways in Kentucky – wetland restoration and promoting cropland management that emphasizes soil health. We have conserved and restored more than 7,000 acres of wetlands and are poised for significant progress on advancing soil health in Kentucky in 2019.

BUILD HEALTHY CITIES – Green Heart, our partnership with the University of Louisville’s Envirome Institute to study the health benefits of regreening urban neighborhoods, remains one of the best examples within the Conservancy of using science to quantify the value of bringing nature into our cities and communities. What we learn in Louisville could provide a roadmap for cities around the world. This complex project is off to a strong start, and we are targeting 2019 for our first significant tree planting.

As you will see clearly in this Year in Review, we have an ambitious conservation agenda that will benefit nature and people in Kentucky and contribute to our overarching global priorities. In an increasingly interdependent world where home nevertheless remains central to our lives, success at both scales is essential. This work is not easy, but I embrace the challenge and am proud of how some of the Conservancy’s biggest ambitions have taken root here in Kentucky. As always, I am truly grateful to you for your support. This work matters, and you are an essential partner.

David Phemister
Kentucky State Director
**OUR RIVERS AND STREAMS**

_Protect the health of the Ohio and Mississippi rivers and key tributaries to secure clean and abundant freshwater for wildlife and people in Kentucky and communities downstream._

- Began implementation with colleagues in Tennessee of a two-state sustainable agriculture strategy, building new relationships between the Conservancy and Tennessee and Kentucky’s agricultural sector.

- Working with the University of Kentucky, completed a study of the agriculture supply chain that will help focus the Conservancy’s growing efforts on sustainable agriculture.

- Worked with partners and Senator McConnell on additional legislation to facilitate the removal of Green River Lock and Dam #5.

- Held outreach events focused on soil health education for more than 500 children in partnership with the U.S. Department of Agriculture, Natural Resources Conservation Service (NRCS) and the Daviess County Conservation District.

- Launched and expanded a $4.36 million wetland restoration monitoring project with the NRCS and three universities.

- In partnership with the NRCS and Murray State University, began installing automated sampling devices at Wetlands Reserve Program (WRP) sites throughout the wetland restoration monitoring area.

- In partnership with the NRCS, completed the 2015 Wetlands Reserve Enhancement Program (WREP) project, restoring and conserving another 2,741 acres and leveraging $11.7 million in federal funding.

- Launched the Riverlands Outdoor Heritage and Conservation Alliance with partners to engage west Kentucky and west Tennessee tourism and recreation organizations, elected officials, and communities about the importance of conservation.

- Remove Green River Lock and Dam #5, restoring free-flowing conditions to a 200-mile section of the Green River.

- Continue discussions with the agricultural sector on an intensive research project focused on soil health in Kentucky.

- Work with an existing team of partners and stakeholders to develop innovative new strategies to preserve conservation outcomes previously achieved via the Green River CREP program.

- Complete instrumentation at WRP monitoring sites, including soil core analysis devices that will measure how easements change over time.

- Pursue the next WREP project once new Farm Bill funding is secured.
OUR FORESTS AND GRASSLANDS

Conserve thousands of acres of vital, connected lands to ensure these natural habitats can withstand global environmental challenges and continue to provide irreplaceable benefits to nature and people.

- Created a strategy to guide our land protection work, with a focus on conserving highly resilient and connected landscapes in the Central Appalachians and other key areas of Kentucky.
- Acquired two strategic tracts totaling 20.83 acres on the Green River, expanding the Conservancy’s riparian protection at Row Bend to more than 125 acres and nearly a mile of river frontage.
- Launched the Regional Conservation Partnership Program (RCPP), working with partners at the NRCS to gain support for this eastern Kentucky forest conservation program.
- Began working with eastern Kentucky landowners to bring the voluntary carbon market to scale with the Working Woodlands program.
- Produced new Fire Learning Network interpretive signage to promote the benefits of prescribed fire for an educational driving tour in the Daniel Boone National Forest Stearns Ranger District.
- Helped produce a new fire education podcast for the Consortium of Central Appalachian Fire Managers and Scientists’ Fire Learning Trail.
- Assisted with increasing the prescribed fire capacity of the Kentucky Division of Forestry through state wildlife grant funding.
- Taught introductory fire classes at Eastern Kentucky University, with students later hired by the Kentucky Division of Forestry for wildland fire work.
- With partners, applied prescribed fire to 11,000 acres of land to enhance wildlife habitat, improve forest health and composition, and reduce wildfire risk.
- Begin enrollment of landowners into the RCPP, with a goal of protecting 15,000 acres of priority forestlands.
- Finalize agreements with eastern Kentucky landowners to enroll thousands of acres in the Working Woodlands program.
- Continue to introduce the idea of a Kentucky-grown forest carbon market to companies headquartered within the state.
- Assist with development of a fire program for the Conservancy’s Tennessee chapter.
- In partnership with U.S. Forest Service, expand use of prescribed fire as a key forest health management tool on Daniel Boone National Forest and surrounding lands.
OUR CITIES

Deliver nature-based solutions that benefit air and water, human health, and quality of life to promote and protect the resiliency of Louisville.

- Made a $2 million investment in the Green Heart project through a grant to the University of Louisville’s Envirome Institute.
- Purchased more than $150,000 in air quality monitoring equipment to facilitate baseline air quality monitoring work for the Green Heart project.
- Treated 58 ash trees on 27 properties in the Green Heart study area to protect them from the emerald ash borer.
- Planted 100 trees in south Louisville’s Wyandotte Park as part of the Mill Creek watershed revitalization project. (Planting scheduled for December 2018.)
- Designed an outdoor classroom for a Mill Creek watershed school.
- Served on the Louisville & Jefferson County Environmental Trust Advisory Committee and the Rockefeller Foundation’s 100 Resilient Cities Steering Committee.

THE VALUE OF SAVING ASH TREES

An invasive insect, the emerald ash borer, has decimated ash trees in Kentucky. A treatment is available, though, that can help save them. The Nature Conservancy recently used this treatment on 58 ash trees in the Green Heart project area, realizing an excellent return on investment.

Cost of four-year treatment: $16,000
Environmental benefits, including carbon storage, air quality improvement, storm water absorption, energy savings and more: $14,500
Tree removal costs saved for the community: $87,000
Cost to care for all new trees to replace dead ash trees: $29,000

Total benefits of treatment: $130,500
Return on investment: 715%

LOOKING AHEAD

- Finalize implementation plan for the Green Heart plantings, including species list development, plant procurement, and strategies to stage and care for thousands of planted trees.
- Plant thousands of community trees for the greening intervention portion of the Green Heart project.
- Continue to lay groundwork and build community support for establishing a new restoration and recreation park of up to 1,000 acres along the Mill Creek floodplain in southwest Louisville.
- Engage with schools to connect children and nature in the Mill Creek watershed.
LOOKING AHEAD

- Secure resources necessary to hire a government relations specialist so we can engage more fully on state and federal conservation funding and policy issues.

- Serve as a source chapter for hiring students into the LEAF program for a fourth consecutive year, introducing more diverse young adults to potential careers in conservation.

- Continue to utilize the Dupree Nature Preserve as a premier outdoor classroom for hands-on experiences with nature in partnership with Bluegrass Greensource.

OUR FUTURE, OUR PEOPLE

Expand and diversify our network of donors, members, partners, and volunteers by connecting them with our work, build our chapter’s capacity for policy work, and secure a more sustainable future by increasing our endowment.

- Supported University of Louisville-led Green Heart community engagement efforts, which helped enroll 431 community participants in the project’s clinical trial by hosting 25 community events and meetings and knocking on 2,800 doors in the project neighborhood since May 2018.

- Strengthened our development team so that we can bring our story directly to more supporters and increase the diversity of our donors.

- Recruited and hired four students from Louisville’s Fern Creek High School to participate in a one-month paid internship in the Clinch Valley and Allegheny Highlands project areas in Virginia through the Conservancy’s Leaders in Environmental Action for the Future (LEAF) program.

- Hosted 392 students at Dupree Nature Preserve for educational field trips in partnership with Bluegrass Greensource.
The Kentucky, Tennessee, and Virginia chapters received $5 million in 2018 to conserve wildlife habitat and connected corridors through the globally significant Central Appalachian Mountains. The Natural Resources Conservation Service (NRCS) Regional Conservation Partnership Program (RCPP) awards innovative conservation ideas through a competitive process. The Nature Conservancy’s Working Woodlands program fit the bill.

“The innovation in this was taking TNC’s Working Woodlands program and putting it to work together with the NRCS’s Healthy Forests Reserve Program,” says Will Bowling, the Kentucky chapter’s Central Appalachians project director. “This is a conservation easement program housed through NRCS that pays landowners for working forest easements. It hasn’t been funded for a few years, so this RCPP funding we received fills in some of those gaps.”

Greg Meade, conservation forestry program manager for the Conservancy’s Virginia chapter, says the program is a natural fit for the three chapters.

“We have similarly important forests from a climate resiliency standpoint, and for wildlife habitat and carbon sequestration potential,” he says. “All three of our states rank highly in these areas.”

Landowners in the Central Appalachians region will be able to apply for funding through the RCPP program, in exchange for protecting their forest land. The chapters have developed ranking criteria to help ensure the funding targets the highest priority properties.

“We developed these criteria together, so all three states are looking at the same thing,” Meade says. “We’re using Conservancy science to decide the most important places to do this work.”

Once these applications are chosen, the Conservancy will walk the landowner through the process of placing an easement on the land to protect it now and in the future. The Conservancy will then help the landowner enter the voluntary forest carbon market and earn revenue from carbon credit sales. Healthy forests provide a proven strategy to capture and store carbon emissions and represent a conservation and climate win.

“All three states have been working together hand in hand to advance this project,” Bowling says. “It’s really exciting to be working across state lines and collaborating on this important work.”
Louisville native Mike Mays, co-founder and president of Heine Brothers’ Coffee, recently joined the Kentucky chapter’s Board of Trustees. Mays’ conservation-minded business experience makes him an ideal fit for the board.

“Sustainability has been at the heart of Heine Brothers’ since the beginning,” Mays said. “I’m excited to join The Nature Conservancy’s Board of Trustees to make more of an impact on conservation in Kentucky.”

Mays received his bachelor’s degree in finance and juris doctorate degree from Indiana University-Bloomington. He co-founded Heine Brothers’ Coffee in 1994 with a commitment to sustainability and to using 100 percent fair trade and organic coffee. Mays takes regular trips to Central and South America to meet the coffee growers who supply his business. Mays also supports conservation through sales of “Kentucky Dream” coffee, a collaboration with the Forecastle Foundation.

Mays says he is particularly interested in the Conservancy’s Working Woodlands program, which works to protect eastern Kentucky forests while generating new profits for landowners through carbon markets and the sustainable timber industry.

“I think Working Woodlands can do a lot of good in eastern Kentucky, not only for protection of these important forests but for the region’s economy,” said Mays. “I’m encouraged by this forward-thinking project and the way the Conservancy works in innovative and collaborative ways.”
Why I give: Jean Givens

Jean Givens was involved with the Kentucky chapter even before its headquarters moved to Lexington. She started volunteering in 1989, answering the phones while Conservancy staff attended their weekly staff meetings. Now, in retirement, she continues to support the chapter as a donor and Legacy Club member. Her support has always come from her love of nature.

“As a child I remember playing by a creek near my home,” Givens says. “I enjoyed watching the frog eggs become tadpoles and then developing into frogs. As I grew up, I liked walking in the woods – the smell after a rain, the leaves rustling in the wind.”

Her love of nature is in one way very locally focused, centered on her verdant yard where she tends to her plants. In another way, this love is global, taking in the entire planet.

“My focus is on the planet, and I worry about it,” she says. “All of our livelihoods depend on the health of the planet.”

Givens’ Legacy Club membership reflects her values. Her message to members who have not yet chosen to include the Conservancy in their estate plans is simple.

“You’ve worked hard for your money,” she says. “Leave it where your heart is.”
BY THE NUMBERS
As a leading global charity, The Nature Conservancy carries out its work with a deep commitment to our donors, members and the general public—all of whom have a direct stake in the conservation of the world’s lands and waters. We seek to make use of every dollar donated to the Conservancy with careful attention to effectiveness and efficiency.

ASSETS

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LIABILITY & NET ASSET SUMMARY

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EXPENSES

- Conservation Programs: 73%
- Philanthropy: 14%
- General & Administrative: 13%
- Corporate: 8%

FUNDRAISING

- Individuals: 44%
- Membership: 35%
- Corporations: 13%
- Foundations: 13%
PHOTOGRAPHY CREDITS

Cover: Bekah Herndon canoes the waters at Nags Head Woods Preserve, North Carolina. © Ben Herndon  
Page 2: Kris Sirchio and family (courtesy of the Sirchio family).  
Page 3: David Phemister and children (courtesy of the Phemister family).  