Montana

2022 ANNUAL REPORT





The Nature Conservancy in Montana

Amy Croover Montana State Director

BLACKFEET STEWARDSHIP OFFICE

Dylan DesRosier Blackfeet Program Manager

BOZEMAN

Bebe Crouse

Associate Director of Communications Andrew Kimsey Associate Director of Development

Amy Sheppard Donor Relations Manager

CENTENNIAL SANDHILLS PRESERVE

James Waxe High Divide Headwaters Land Steward and Science Manager

CHOTEAU

Nathan Birkeland Rocky Mountain Front Land Steward Dave Hanna

Crown of the Continent Program Director

DILLON Sean Claffey SW MT Sagebrush Conservation Coordinator

HELENA

Mark Aagenes Director of External Affairs

Jennie Corley Trustee Liaison/Event Manager/ Development Coordinator

Whitney Daniel Director of Finance and Operations

Marissa Lytle Executive Assistant/Operations Coordinator

Amy Pearson Montana GIS Manager Rebecca Snider

Conservation Information Manager Drew Sovilla

Montana Land Steward Teri Wright

Development Coordinator

JACKSON, WY

Nikki Melanson Director of Marketing, Western Division

MALTA

Kelsey Molloy Rangeland Ecologist

MATADOR RANCH

Joe Fitzpatrick Matador Ranch Hand Jason Hanlon Northern Great Plains Land Steward Charlie Messerly Matador Ranch Manager

MISSOULA

Jim Berkey High Divide Headwaters Director Aaron Brock Montana Director of Development Chris Bryant Conservation Director Alison James Associate Director of Development Mike Schaedel Western Montana Forester

OVANDO-BLACKFOOT RIVER VALLEY

Steven Kloetzel Western Montana Land Steward

PORTLAND, OR

Teri Stoeber Grants Specialist for Oregon and High Divide Headwaters in Montana

RED LODGE

Brian Martin Montana Grasslands Conservation Director

ROCHESTER, WA

Kaylee Kenison Operations Specialist

SCHENECTADY, NY Kim Doherty

Senior Grants Specialist for Montana and Utah

BOARD OF TRUSTEES

John Cholnoky CHAIR Yvonne Martinell VICE CHAIR SVICE CHAIR Maud Welles VICE CHAIR Karen Amero Melodee Hanes Baucus Dale Bosworth Amy Cholnoky Conni French

Lizanne Galbreath Nancy Mackinnon Allen Martinell L. Scott Mills, Ph.D. Bill Milton Jan Portman Gary Rieschel Steve Running, Ph.D. Jeffrey Schutz Dr. John Teller, M.D. Amy Tykeson

Rachel Frost, Ph.D.

FROM THE DIRECTOR



Conservation is very much a team sport. We simply couldn't achieve the huge conservation wins we have without a network of incredible partners. I was reminded of that this past summer and fall, when our western forest restoration team gave a field tour of the work to The Nature Conservancy's global executive leadership team and the Montana board of trustees. Quite simply, the leaders were blown away by the unique collaboration taking place among TNC, the Confederated Salish and Kootenai Tribe, the U.S. Bureau of Land Management and the Blackfoot Challenge.

That is far from our only extraordinary partnership. On page four, you'll learn more about the

Southwest Montana Sagebrush Partnership, whose members have restored more than 30,000 acres in fewer than four years. And of course, we can never forget the community that has rallied around the Matador Ranch grassbank.

None of these alliances were created in a day. It takes time to build trust—the first step toward partnerships that stand the test of time. Because TNC is in it for the long haul, we have the time and dedication to meet people where they are and to hear their hopes and needs, rather than forging ahead with a plan of our own.

As we face increasingly urgent environmental challenges, our solid partnerships position us well to meet these problems head on. By continuing to forge new alliances, we are also setting the stage to meet the challenges that are still around the corner.

You are an integral part of all these partnerships. Your support and commitment to keeping Montana a place where nature and people thrive makes it all possible.

I thank you for that trust and support and wish you all the best for the coming year.

Amy Croover, State Director

ON THE COVER Mountain Lion © Shutterstock THIS PAGE Amy Croover © Jolynn Messerly/TNC



THIS PAGE Map by Amy Pearson/TNC

Conifers are

competitive trees

that suck up much

sagebrush, robbing

more water than

do grasses and

it from those

plants and from

local streams.

Partners in the Sage

Building relationships takes time, but it is key to conservation that endures. In the sagebrush grasslands of the High Divide Headwaters, it is paying big dividends.

Since 2018, The Nature Conservancy has helped restore just under 35,000 acres of sagebrush grasslands (or steppe) habitat. Guided by a 2019 analysis of conifer expansion that identified the most at-risk sagebrush steppe in the High Divide, we have focused on about 16,500 acres in the Ruby River Valley and southern Tobacco Root Mountains—roughly between Virginia City and Sheridan. The Ruby River is critical to downstream flows in the Missouri River and restoring the land around it keeps more water in the river.

If you've driven this route, you've seen a good example of how conifers—mainly juniper and Douglas-fir—have been gradually expanding into the sagebrush steppe. These highly competitive trees suck up much more water than do grasses and sagebrush, robbing it from those plants and from local streams. Fourth generation Ruby Valley rancher Bruce Peterson has noticed the impact.

"Our neighbor grew up here and talks about picnicking on Wakefield Creek as a kid. Now there's no water in it because of the junipers."

Much of our work has focused on removing conifers not cutting them all out but pushing them back into a more natural balance with the sagebrush and grass. That creates habitat for a wider variety of wildlife.

"It's a little bit like losing your hearing or your vision with these trees. You take away a little at a time, and then by the time you get hearing aids or glasses you realize it's gotten really out of hand," says Peterson.

At first, ranchers like Peterson had their doubts about the plans. Cut down trees and possibly set controlled burns? Sounded risky. But once they saw the flush of green grass and wildflowers that sprang back within months of the clearing and burns, they were convinced and agreed to give it

BEFORE TREATMENT



a shot on their land. All told, the Southwest Montana Sagebrush Partnership (SMSP) has funded and coordinated conifer removal projects on 1,500 acres of the Petersons' ranch since 2020.

"I think it's a win-win," says Peterson. "I really appreciate it."

This conservation achievement involved a clear need, a great opportunity and partnerships that had been established long before that opportunity arose. Since 2018, the SMSP has created exemplary cross-boundary relationships with a diverse group of public agencies, landowners and private organizations. These relationships are producing conservation at a scale that truly makes a difference.

Partners include the U.S. Bureau of Land Management, the Montana Department of Natural Resources and Conservation, and the Natural Resources Conservation Service, with support from the Montana Department of Fish, Wildlife & Parks, Rocky Mountain Elk Foundation and the National Fish & Wildlife Foundation.

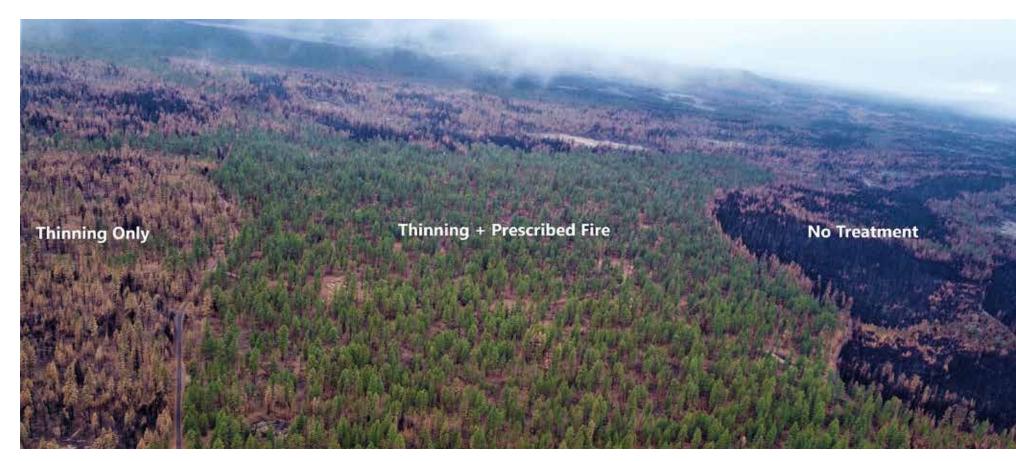


FORESTS

Fire on the Line

The past year proved to be a good one as far as putting fire back on some western Montana forests. The right combination of weather conditions, moisture and a host of other factors allowed us to conduct successful controlled burns (prescribed fire) in both the spring and the fall. Caution is our top priority before we start any burn—and we never burn unless conditions are right.

When controlled burns by the U.S. Forest Service in New Mexico went out of control last spring and set in motion a wildfire that extended over more than 340,000 acres, the agency put a temporary pause on burns while it evaluated its protocols and practices for managing this tool. Even though fewer than one percent of controlled burns escape, when they do, they are a reminder that we must be constantly



THIS PAGE This aerial photo in the wake of the 2021 Bootleg fire in Oregon dramatically shows the results of various restoration treatments on a forest that was hit by a large wildfire. © Steve Rondeau, Klamath Tribe Natural Resources Director

A Good Dumpster Fire?

vigilant and nimble enough to learn from these incidents and adjust our approach.

Controlled burns are staged by highly trained fire practitioners who ensure that the weather and fuel conditions, personnel and equipment on site align to keep fire from spreading beyond designated boundaries, as well as protecting people and property. While there is an inherent risk in setting any fire, there is also risk in doing nothing. Failing to address the threat posed by the combination of overly dense forests, climate change and increasing development in these areas is simply unacceptable.

In his statement following the release of the Forest Service evaluation of its controlled burning program, agency Chief Randy Moore emphasized his commitment to continuing the practice of prescribed fire.

"Prescribed fire plays a vital role in creating healthy, resilient landscapes and reducing the risk of catastrophic fire," he stated. "We are fully committed to using this critical tool safely and effectively in collaboration with Tribes, partners, and communities. We must work together to reduce the risks of catastrophic wildfire and confront the wildfire crisis across the country."

This is a commitment that The Nature Conservancy shares.

It's an odd-looking beast—a railcar-size dumpster outfitted with tank tracks. It's called a carbonator. While it won't fizz up any beverages, it will produce a useful product from the normally unusable woody debris left after a forest is thinned. The product is biochar, an agricultural supplement that helps soils hold moisture and nutrients.

The Nature Conservancy has experimented with producing small amounts of biochar before, but we and our partners are now putting this behemoth to work at a much larger scale. Beginning last October, the Biochar Creation Pilot Project crews started processing the slash piles that had accumulated during thinning in the Lower Gold Creek-Twin Creek area.

After the slash is loaded into the big bin, it is ignited and burned in the carbonator at super high temperatures. One staffer called it a "good dumpster fire." The smoke and heat that is produced by the burning wood is blown back into the system so that the only smoke emitted is what drifts up when the pile is first ignited. That smoke is a small fraction of what would have been created by open burning of the slash, which is the standard practice.

Once the charred material is extruded from the bin by several big grinders, it is carted to local ranches to use on their hayfields. Another really exciting characteristic of biochar is that it is a great way to store carbon for centuries rather than releasing it by burning slash in the open or just letting it rot.





FRESHWATER

A Flood of Success

"People who floated the Ruby said that the restored stretch was in sharp contrast to sections of the river that haven't been restored."

This past year has seen some devastating floodsincluding damage caused along the Yellowstone River. But there was a bright spot in the Greater Yellowstone region. Four years after The Nature Conservancy completed restoration along a stretch of the Ruby River, our work has paid off. As rain and snowmelt sent water surging, instead of eroding banks and destroying buildings, the water moved into side channels and spread across the restored floodplain. It slowly soaked into the soil, replenishing groundwater. Because there were no buildings in the floodplain, the river was able to naturally meander and flood safely without putting people or property at risk. A conservation easement on the land ensures that this will be the case in perpetuity and that the river can remain dynamic and maintain diverse habitat like spawning beds and deep pools long-term.

People who floated the Ruby said that the restored stretch was in sharp contrast to sections of the river that haven't been restored. The water rushed through those steep, narrow channels, unable to lose flood energy by spreading across a floodplain and further eroding the streambanks. It took a couple of years for TNC to complete this work—raising the river bottom, reconnecting side channels and laying mats of willow to prevent erosion and revitalize vegetation. It's exciting to see all the hard work pay off. The river, once again, acted like a river.









A New Look at Beavers

For years, rancher Brian Fox considered beavers a nuisance. So do a lot of landowners. The big rodents can damage trees and cause flooded roads. So, he trapped them all out of the creeks on his Phillips County ranch. Turns out, that was a mistake. Once Fox saw the lush oases created by beavers on his upstream neighbor's land, he realized the value of having them on his place.

In 2021 Fox worked with The Nature Conservancy to install 11 beaver dam analogs (BDAs)—structures that mimic natural beaver dams—on Little Jewel Creek, which meanders through his ranch. The goal was to keep rainwater and snowmelt from surging through the creek, eroding banks and quickly running off before it could soak in and replenish groundwater. Although this was another dry summer on the Northern Great Plains, Fox's BDAs did their job with the rains that did fall. They worked so well that he put in another 13 this year.

The idea is catching on. This fall, volunteers and Montana Conservation Corps crews put BDAs on three other ranches in the area. We've also used the structures on our Matador Ranch for several years.

TNC rangeland ecologist Kelsey Molloy has been a big part of this effort. She

says, "We hope that, in time, beavers will come back to the creek, eliminating the need for the artificial structures."

Ranching in Montana is a business with tight profit margins, so decisions to change long-standing practices don't come easily, but folks are getting curious about BDAs. The floodgates haven't totally opened to the idea, but as BDAs prove useful, we expect more landowners will have a change of heart about beavers, too.



PROTECTION

Another Piece of the Big Hole Valley Protected

The project was more than a decade in the making though that's not so long compared with the century that the Jackson family has been ranching in the Big Hole Valley. This spring, The Nature Conservancy placed a conservation easement on 4,640 acres of their ranch.

This is extraordinary country. With 8.5 miles of the Big Hole River and a web of creeks, the ranch has places that look like oases in a sea of grass and sagebrush. These waters are home to the only surviving wild population of fluvial Arctic grayling in the Lower 48, as well as other native fish. The ranch provides excellent habitat for greater sage-grouse and other wildlife, including Brewer's sparrow, sage thrasher, ferruginous hawk and pygmy rabbit. Elk, moose, pronghorn and mule deer frequent the property, and the Montana Natural Heritage Program lists several animal species of concern on the ranch, including grayling, grizzly bear, wolverine, sagegrouse, little brown myotis bats and burrowing owl.

The easement also protects a critical piece of ranchland that has been used for generations to graze livestock and adjoins both public land and a 6,800-acre ranch that was protected with a TNC easement in 2008.



Staying Down on the Ranch

Like a lot of kids who grow up on ranches and farms, Jeff Sather headed to college after high school. Unlike many, he came back to the family farm/ ranch to continue the long tradition of his father, grandfather and great grandfather before him. He's reminded of that legacy every time he walks by the original barn and granary—and he hopes it's a tradition his two boys will keep alive.

Rancher/farmers like Sather are rarer than ever in the United States. The average age of ranchers is now 59, the highest it's ever been. In a world where the need for food is growing exponentially, that can't be good. Drought, low cattle prices and volatile expenses make it increasingly difficult for the next generation of family farmers and ranchers to stay in the business.

However, conservation easements like the one The Nature Conservancy recently purchased from the Sathers are providing a financial infusion

and reducing the cost of passing the land on to heirs. The easement has enabled Sather to purchase additional land and experiment with some modern management practices. It's also protecting vital habitat for grassland birds, whose numbers are shrinking every year.

A lot has changed since his grandfather homesteaded the land, and Sather is now in the vanguard of ranchers and farmers who are practicing what is called "regenerative agriculture." It's an approach that works with natural processes and maintains or improves the environment. Despite its 21st century name, the practice isn't new. It was used by Indigenous people for centuries and those who farmed long before the advent of industrial agriculture.

For Sather, it involves high-intensity rotational grazing, spring calving to follow the timing in nature and planting cover crops to protect soil. "We experiment every year with cows and crops. Regenerative grazing has brought excitement to our place."



FINANCIAL RESULTS

(July 1, 2021-June 30, 2022)

WE CARRY OUT OUR WORK WITH A DEEP COMMITMENT TO ACCOUNTABILITY AND TRANSPARENCY.

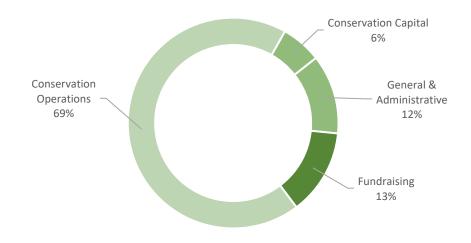
MONTANA ACRES IN PERMANENT CONSERVATION			
Assets	Added in FY 2022	Total Acres	
Conservation Easements	15,606	504,929	
Conservation Buyer Properties	_	112,671	
Cooperative Conservation Projects	4,636	649,378	
Preserves	—	54,480	
TOTAL ACRES	20,242	1,321,458	

THE NATURE CONSERVANCY IN MONTANA STATEMENT OF FINANCIAL POSITION

Assets	At June 30, 2022	At June 30, 2021
Cash and Investments	\$32,222,815	\$32,120,186
Endowment Investment	\$15,702,409	\$17,999,473
Conservation Lands	\$8,710,685	\$8,796,581
Conservation Easements	\$185,008,853	\$173,044,853
Conservation Preserves	\$17,911,386	\$18,036,386
Property & Equipment- Net of Depreciation	\$899,287	\$932,111
Other Assets	\$1,830,968	\$1,257,420
	\$262,286,402	\$252,187,009
Liabilities	\$1,847,658	\$2,951,572
Net Assets	\$260,438,743	\$249,235,436
	\$262,286,402	\$252,187,009

These financial results are unaudited, program specific and rounded to the nearest dollar. Please check nature.org for TNC-wide audited financials that are GAAP compliant.

PROGRAMMATIC EFFICIENCY FY 2022 Total Expenses \$6,793,838



SUPPORT & REVENUE FY 2022 Total Support & Revenue \$17,970,822



THANKS

We are grateful to everyone who has made a donation to The Nature Conservancy. We could not

do what we do without your generous support. We would like to acknowledge these gifts given to honor individuals and families. (Honoree in BOLD)

IN HONOR OF

Heidi Anderson Marian P. Anderson

Susan Benedict Anthony and Susan Roberts

Jill and Jim Carlberg Roberta Carlberg

Amy and John Cholnoky The Andrea & Michael Banks Nature Fund David Burchenal Dorothy Cholnoky Webb Vorys

Gordon Congdon The Andrea & Michael Banks Nature Fund

Whitney Daniel Amy Croover

Kathy and Michael Garrison Lisa Garrison

IN MEMORY OF

John Allen Dr. Kathryn Allen

Erma Bacon Mary Althoff

Chuck Carlson Jean Carlson

Reggie Clark Ray Center

Ivan Doig Carol Doig

Linda Gage Barbara Boorman

MEMORIAL ENDOWMENTS

The John Roe Conservation Leadership Endowment Sandra Roe Gil Crain Memorial Fund Chad Farrington

Russ lessee Dorothy McCartney John Karp

Ann Karp Steve Kloetzel Amy Croover

Nathan Korb John and Sue Mills

Fredric and Irene Meyer The Andrea & Michael Banks Nature Fund

Judith Mitchell The Mitchell Charitable Fund

Kelsev Mollov Charles Quinn Gail Norton

Marcey Anderson Keith and Julie Parker **Dorothy Anders**

Christine Pirog Glenis Lureman Dan Imming Susan Imming Michael Lashbrook Brian Clark

Sam Lewis Ruth Patterson Funabiki Jeffrey and Antigone Parrish The Andrea & Michael Banks Nature Fund

Robert Plakke Ronald Plakke

Anny and Chris Ruge and Family Lee Mortimer

Ethan Skaggs Sonya Skaggs

Christopher Slanina Fernanda Goncalves

Dr. Tresa Smith Anonymous

David Allen Siblev The Andrea & Michael Banks Nature Fund

Bruce Mav Elaine Snyder

Bill Mitchell Anonymous

Terry Pearce **Carolyn Pearce** Carol Lynne Pool

Carolynne Merrell Cathryn Jean Robocker Bob and Charlene Wolfe

Thelma Sacklin John Sacklin

Sam Shoop Char Bettridge

E.O. Wilson The Michael and Andrea **Banks Nature Fund**

The Art of Conservation

DONOR PROFILE

Cynthie Fisher loves animals. Big, small, feathered and furred, they all have a special place in her heart and in her art. That love led her to study zoology at Humboldt State University in California, where she was also introduced to The Nature Conservancy by a beloved professor. He had a tremendous influence on her life, but it was winning the first duck stamp contest she ever entered that set her on her life course as a gifted wildlife artist. She went on to win another 17 duck stamp contests.

Cynthie has captured images in pretty much any medium there is, from pencil and paint to fused glass and bronze. She's also skilled at taxidermy-something in which she first took an interest as a child. For 35 years, her work has taken her to every continent except Antarctica (and she's pretty sure that getting there is just a matter of time).

"I need to see the animals that are in my art to have credibility," she says.

Along with her influential professor, her art and the animals really drew her more deeply into conservation. Cynthie is an avid hunter who believes in honoring every animal she takes and feels that hunting is inextricably tied to conservation. She has used her artwork to



raise funds for the many conservation organizations that she supports.

For the past 23 years, she's made her home (and studio) outside of Hamilton. It is packed with animal art from paintings to sculpture-a wildlife gallery on steroids and testament to her talent and productivity!

Since that introduction in college, Cynthie has been a generous supporter of TNC and has made a bequest to the organization in her estate plans. We thank her for her commitment to conservation and TNC-and hope she gets to make that trip to Antarctica soon!

nature.org/montana | 13

Warren Henderson Monroe Cameron

Parker CJ Hopkins

STAFF & TRUSTEE PHOTO CONTEST SUBMISSIONS









PHOTOS: (clockwise from left) Kaylee Kennison; James Waxe; Kelsey Molloy; Allen Martinell; Amy Tykeson; Steve Kloetzel; Amy Cholnoky; Andrew Kimsey





The Nature Conservancy in Montana 32 South Ewing Street Helena, MT 59601

nature.org/montana

Non-Profit Org. U.S. Postage PAID Bozeman, MT 59718 PERMIT #209

The mission of The Nature Conservancy is to conserve the lands and waters on which all life depends.

- f facebook/nature.montana
- Stwitter/nature_montana
- ☑ montana@tnc.org
- **©** @tnc_montana



nature thanks YOU



Your support enables all our work to move forward and ensures that Montana stays a place where nature and people thrive. Together, we find a way!

Blackfoot River in winter © Shutterstock