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## Virginia Outdoors Foundation

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### JUNE 2010 TRUSTEE MTG, BUDGET PRESENTATION

#### FY10 BUDGET SUMMATION:

Due to the continuing and worsening financial crisis, the FY10 Budget planned to merely maintain the existing programs and to eliminate any non-essential. The Budget accommodated cuts in the two major components of total revenues, the General Fund Appropriation, 9.7% from FY09 level and the recordation fee proceeds. The recordation fees have been in serious decline over the past several years resulting in a 40% decrease from a high of \$990,000 in FY06 to a projected low of \$570,000 for FY10.

Through increased awareness by all staff and additional scrutiny by senior management of non-essential expenditures, VOF has reduced spending or held costs to FY09 levels. In order to meet expenses in FY10, VOF was forced to release funds from the Easement Defense Fund the purpose of which is to ensure VOF's ability to protect the inventory of easements against legal challenges or violations.

#### FY11 HIGHLIGHTS:

##### REVENUE

The proposed budget reflects another 5% reduction to the General Fund Appropriation from \$1.8M to \$1.7M, but other revenue categories increasing modestly. Note the new revenue category, **4230 LPC Transfer fees**; this is the proceeds from the Land Preservation Credit transfer fees. Previously these fees based on the value of an easement donation and paid by easement donors to the Department of Taxation upon transfer of credits to another taxpayer were capped at a maximum of \$10,000 per donation. The General Assembly recently removed the cap and a portion of the resulting fees will be disbursed to VOF by the Virginia Land Conservation Fund (VLCF) on a still to be determined schedule. The estimate in the budget is based upon the budget impact statement provided by the Department of Planning and Budget (DPB) and the Department of Taxation. This additional revenue allows VOF to create a balanced budget that eliminates the need to release funds from the Easement Defense Fund for the first time in several years and meets the goals laid out in the Strategic Plan.

##### EXPENSES:

The FY11 budget has been significantly reorganized in order to improve its usefulness as a management tool. It is now divided into cost centers by division and includes subaccounts for more efficient detail. This shift causes a slight disconnect in comparing expense categories to FY10 as evidenced on the Five Year Outlook worksheet. Although the categories have shifted, note that the total expenses in FY11 have increased by a modest 13% over the previous fiscal year.

#### 5100 PERSONAL SERVICES (SALARIES, ETC):

Additional revenue allows for significant expansions of existing part time temporary support staff and filling several existing but vacant positions, the most critical of which is the Geographic Information Systems (GIS) Manager. The GIS Manager position has been unfilled for over three years due to budget concerns although it is critical to both the Easement and Stewardship Divisions. The budget includes funding to mirror the state's planned 3% bonus for all existing staff in December 2010 based on sufficient revenue at that time.

Healthcare costs have increased significantly in the last several years and continues to be the most expensive benefit at a projected \$173,000 for the upcoming fiscal year. In order to hold costs down, VOF recently set an upper limit to the employer premium coverage, allowing staff to choose between paying a small premium for the most expensive plan offered or to benefit from the savings if choosing a less costly plan. At the same time, VOF has worked with the plan provider to offer more plan choices that are cost-effective for the employees.

#### 5400 IT GOODS & SERVICES

Includes \$25,000 to begin the long-delayed IT Strategic Planning process in order to improve or replace the current ten-year-old Easement Management Database (EMA). VOF's needs and the available technologies have changed significantly over the past ten years.

#### 5500 GENERAL SERVICES- *New Category*

Includes expenses previously shown in Supplies & Materials and/or Miscellaneous such as; maintenance and repairs to equipment, vehicles and offices; printing/copying/delivery services. FY11 projections based on minimal increases due to staff increases.

#### 5540 OFFICE COSTS

All current rents will remain static although additional funds are included in order to consolidate and relocate the Warrenton office. The relocation has been necessary for some time but delayed by budget constraints.

#### 5545 MEMBERSHIPS/DATA SERVICES- *New Category*

Includes expenses previously shown in Supplies & Materials, IT and/or Miscellaneous such as; website and EMA hosting fees, financial and payroll services, etc. New expenses include \$11,200 for data from the Virginia Geographic Information Network (VGIN). VOF has used data from VGIN for almost a decade including statewide aerial data crucial to both Easement and Stewardship work and VGIN is implementing a new fee system effective in FY11. Also includes \$8,000 for mailing database software and setup to improve newsletter, fundraising and landowner contact mailings. VOF has been using an extremely inefficient and labor intensive Excel database for several years due to budget constraints.

#### 5560 TRAINING & DEVELOPMENT

Additional revenue allows significant increases in this category critical to VOF's continued leadership in statewide land preservation.

#### 5570 OUTREACH/VOLUNTEER COORDINATION- *New Category*

Includes expenses previously shown in Travel, Fundraising and other categories. The category reflects minor spending increases as VOF focuses on the benefits volunteers can bring to a variety of functions within VOF but is primarily a reclassification of expenses for better detail.

#### 5575 FUNDRAISING/DEVELOPMENT- *New Category*

Includes expenses previously shown in Travel, Fundraising and other categories. The category reflects minor spending increases as VOF focuses on developing private funding resources in addition to state support but is primarily a reclassification of expenses for better detail.

#### 5600 SUPPLIES & MATERIALS

This category shows a significant decrease but that is a result of expense reclassifications outlined above; in reality the category reflects minor increases based on increasing staff.

#### 9800 FIXED ASSET PURCHASES

This is not a new category but one not used in several years due to budget constraints. The \$56,000 includes two new vehicles for more cost-effective travel and a replacement for oldest copy machine in the Warrenton office.

## Virginia Outdoors Foundation

### Overview: Proposed FY11 General Operating Budget

July 2010 - June 2011

	Administrative Division	Total Esmt Division	Total Stewardship Division	Total General Operations
<b>Income</b>				
4000 Program Specific Grants & Contributions	0.00	0.00	0.00	0.00
4001 Restricted Grants and Contributions	0.00	0.00	0.00	0.00
<b>Total 4000 Program Specific Grants &amp; Contributions</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
4100 Unrestricted Contributions & Grants	117,000.00	0.00	0.00	117,000.00
4101 Event Proceeds-Donations	8,000.00	0.00	0.00	8,000.00
4102 Ticket Sales	0.00	0.00	0.00	0.00
<b>Total 4100 Unrestricted Contributions &amp; Grants</b>	<b>\$ 125,000.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 125,000.00</b>
4110 General Fund Appropriations	0.00	0.00	0.00	1,752,750.00
4120 Investment Earnings	0.00	0.00	0.00	0.00
4121 LGIP - VOF	0.00	0.00	0.00	30,000.00
4123 Allocation of PTF Interest	0.00	0.00	0.00	500.00
<b>Total 4120 Investment Earnings</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 30,500.00</b>
4130 Miscellaneous Income	0.00	0.00	0.00	0.00
4200 Recordation Fees	0.00	0.00	0.00	571,200.00
4220 Cost Recovery Fees	0.00	0.00	0.00	0.00
4220-1 Easement Transfer Fee (New Esmt Owner)	0.00	0.00	0.00	0.00
4220-2 FOIA-Type Fees	0.00	0.00	0.00	1,000.00
4220-3 Subleases- Office	0.00	0.00	0.00	5,400.00
<b>Total 4220 Cost Recovery Fees</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 6,400.00</b>
4230 LPC Transfer Fees	0.00	0.00	0.00	956,141.00
4300 Non-Cash (In-Kind) Contributions	0.00	0.00	0.00	0.00
4310 Fee Donations of Land	0.00	0.00	0.00	0.00
<b>Total 4300 Non-Cash (In-Kind) Contributions</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Income</b>	<b>\$ 125,000.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,441,991.00</b>
<b>Expenses</b>				
5100 Personal Services	\$ 519,972.00	\$ 882,004.00	\$ 761,467.00	\$ 2,163,443.00
5200 Employee Benefits				
5210 Pension Expense	2,500.00	0.00	0.00	2,500.00
5215 Employer Payroll Taxes	38,374.00	64,488.00	56,204.00	159,066.00
5220 Dental	3,440.00	6,587.00	6,031.00	16,058.00
5230 Disability	3,608.00	6,492.00	5,638.00	15,738.00
5240 Health	39,270.00	65,025.00	68,850.00	173,145.00
5250 VRS	1,300.00	2,908.00	2,358.00	6,566.00
5255 Unemployment Benefits	0.00	0.00	0.00	0.00
5265 401(k) Employer Contribution	16,071.00	30,807.00	29,387.00	76,265.00
5270 Workers' Comp	8,850.00	0.00	0.00	8,850.00
<b>Total 5200 Employee Benefits</b>	<b>\$ 113,413.00</b>	<b>\$ 176,307.00</b>	<b>\$ 168,468.00</b>	<b>\$ 458,188.00</b>
<b>Total 5100 Personal Services</b>	<b>\$ 633,385.00</b>	<b>\$ 1,058,311.00</b>	<b>\$ 929,935.00</b>	<b>\$ 2,621,631.00</b>
5300 Professional Services				
5310 Accounting/Audit	27,000.00	0.00	0.00	27,000.00
5315 OAG	0.00	12,000.00	75,000.00	87,000.00
5320 Other	0.00	0.00	0.00	0.00
<b>Total 5300 Professional Services</b>	<b>\$ 27,000.00</b>	<b>\$ 12,000.00</b>	<b>\$ 75,000.00</b>	<b>\$ 114,000.00</b>
5400 IT Goods and Services				
5410 Support/Services	0.00	0.00	0.00	0.00
5410-1 EBARS/Network	30,084.00	0.00	0.00	30,084.00
5410-2 Other	0.00	0.00	0.00	0.00
<b>Total 5410 Support/Services</b>	<b>\$ 30,084.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 30,084.00</b>

5411 Internet	8,620.00	17,575.00	18,200.00	44,395.00
<b>5412 Asset Mgmt (VITA)</b>				
5412-1 PC Mgmt	19,920.00	29,800.00	30,600.00	80,320.00
5412-2 Printers & Peripherals	2,340.00	5,100.00	3,200.00	10,640.00
<b>Total 5412 Asset Mgmt (VITA)</b>	<b>\$ 22,260.00</b>	<b>\$ 34,900.00</b>	<b>\$ 33,800.00</b>	<b>\$ 90,960.00</b>
<b>5415 Software &amp; Equipment</b>				
5415-1 GPS	5,000.00	0.00	0.00	5,000.00
5415-2 Arcview	15,000.00	0.00	0.00	15,000.00
5415-3 Other	2,200.00	0.00	0.00	2,200.00
5415-4 Office Machines	5,000.00	0.00	0.00	5,000.00
<b>Total 5415 Software &amp; Equipment</b>	<b>\$ 27,200.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 27,200.00</b>
5420 Planning/Set-up	25,000.00	0.00	0.00	25,000.00
<b>Total 5400 IT Goods and Services</b>	<b>\$ 113,164.00</b>	<b>\$ 52,475.00</b>	<b>\$ 52,000.00</b>	<b>\$ 217,639.00</b>
<b>5500 General Services</b>				
<b>5505 Repair &amp; Maintenance</b>				
5505-1 Vehicles	0.00	0.00	0.00	12,000.00
5505-2 Offices	0.00	0.00	0.00	1,375.00
5505-3 Equipment	0.00	0.00	0.00	750.00
<b>Total 5505 Repair &amp; Maintenance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 14,125.00</b>
<b>5510 Print and Mail Services</b>				
5511 Printing & Production	11,780.00	0.00	0.00	11,780.00
5512 Copying & Copier/Print Mgmt	4,796.00	3,000.00	9,100.00	16,896.00
5514 Delivery (Overnight/Other)	0.00	500.00	50.00	550.00
5515 Design/Layout/Writing, etc	500.00	0.00	0.00	500.00
<b>Total 5510 Print and Mail Services</b>	<b>\$ 17,076.00</b>	<b>\$ 3,500.00</b>	<b>\$ 9,150.00</b>	<b>\$ 29,726.00</b>
5525 Bank/Credit Fees	1,800.00	0.00	0.00	1,800.00
5526 Monitoring Agreements			3,500.00	3,500.00
<b>Total 5500 General Services</b>	<b>\$ 18,876.00</b>	<b>\$ 3,500.00</b>	<b>\$ 12,650.00</b>	<b>\$ 49,151.00</b>
<b>5520 Telephone</b>				
5521 Cell Phones	1,135.00	5,035.00	4,000.00	10,170.00
5522 Blackberry/Data	1,850.00	2,835.00	1,850.00	6,535.00
5523 Landlines	3,907.00	12,130.00	8,800.00	24,837.00
5524 Conference Calling	900.00	2,700.00	900.00	4,500.00
<b>Total 5520 Telephone</b>	<b>\$ 7,792.00</b>	<b>\$ 22,700.00</b>	<b>\$ 15,550.00</b>	<b>\$ 46,042.00</b>
<b>5530 Insurance</b>				
5531 Vehicle	2,800.00	0.00	0.00	2,800.00
5532 Public Officials/Liability	1,000.00	0.00	0.00	1,000.00
5533 Offices & Contents	5,000.00	0.00	0.00	5,000.00
<b>Total 5530 Insurance</b>	<b>\$ 8,800.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 8,800.00</b>
<b>5540 Office Costs</b>				
5541 Rent	34,320.00	48,200.00	59,300.00	141,820.00
5542 Utilities	2,050.00	1,550.00	1,800.00	5,400.00
5543 Parking	3,800.00	1,650.00	3,000.00	8,450.00
<b>Total 5540 Office Costs</b>	<b>\$ 40,170.00</b>	<b>\$ 51,400.00</b>	<b>\$ 64,100.00</b>	<b>\$ 155,670.00</b>
<b>5545 Memberships/Data Services</b>				
5546 Information Access	0.00	0.00	0.00	0.00
5546-1 Deeds/Real Estate	0.00	0.00	0.00	0.00
5546-2 VGIN	11,200.00	0.00	0.00	11,200.00
5546-3 Other	0.00	0.00	0.00	0.00
<b>Total 5546 Information Access</b>	<b>\$ 11,200.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 11,200.00</b>
5547 Online Meeting Host	0.00	0.00	0.00	0.00
<b>5548 Information Mgmt/Hosting</b>				
5548-1 Payroll/Finance	4,550.00	0.00	0.00	4,550.00
5548-2 Other	8,000.00	0.00	0.00	8,000.00
5548-3 EMA/Website/Sharepoint	5,810.00	0.00	0.00	5,810.00

<b>Total 5548 Information Mgmt/Hosting</b>	<b>\$ 18,360.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 18,360.00</b>
5549 Dues & Subscriptions	1,700.00	0.00	0.00	1,700.00
<b>Total 5545 Memberships/Data Services</b>	<b>\$ 31,260.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 31,260.00</b>
5550 Travel Expenses	17,650.00	11,900.00	14,500.00	44,050.00
5551 Lodging	0.00	0.00	0.00	0.00
5552 Meals	2,050.00	0.00	0.00	2,050.00
5553 Mileage Reimbursements	0.00	0.00	0.00	0.00
5554 Rental Fees & Fuel	0.00	0.00	0.00	0.00
5555 Fuel (Owned Vehicles)	1,900.00	0.00	0.00	1,900.00
<b>Total 5550 Travel Expenses</b>	<b>\$ 21,600.00</b>	<b>\$ 11,900.00</b>	<b>\$ 14,500.00</b>	<b>\$ 48,000.00</b>
5560 Training and Development	6,500.00	7,000.00	9,000.00	22,500.00
5561 VAult	0.00	0.00	0.00	0.00
5562 EnvVA	0.00	0.00	0.00	0.00
5563 Rally- LTA	0.00	0.00	0.00	0.00
5564 Professional Dues/CLE's	160.00	613.00	375.00	1,148.00
5565 Other	900.00	1,500.00	1,500.00	3,900.00
5566 Recognition & Appreciation Program	4,750.00	0.00	0.00	4,750.00
<b>Total 5560 Training and Development</b>	<b>\$ 12,310.00</b>	<b>\$ 9,113.00</b>	<b>\$ 10,875.00</b>	<b>\$ 32,298.00</b>
5570 Outreach/Volunteer Coordination	4,100.00	0.00	0.00	4,100.00
5575 Fundraising/Development	0.00	0.00	0.00	0.00
5576 Event	6,500.00	0.00	0.00	6,500.00
5577 Appeals & Grants	12,150.00	0.00	0.00	12,150.00
<b>Total 5575 Fundraising/Development</b>	<b>\$ 18,650.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 18,650.00</b>
5580 Miscellaneous	0.00	0.00	0.00	0.00
5600 Supplies & Materials	0.00	0.00	0.00	0.00
5610 Tracked Sml Equipment	3,750.00	1,900.00	1,950.00	7,600.00
5612 Postage	4,400.00	1,650.00	1,750.00	7,800.00
5615 Office/General Supplies	7,050.00	8,000.00	8,300.00	23,350.00
<b>Total 5600 Supplies &amp; Materials</b>	<b>\$ 15,200.00</b>	<b>\$ 11,550.00</b>	<b>\$ 12,000.00</b>	<b>\$ 38,750.00</b>
<b>Total Expenses</b>	<b>\$ 952,307.00</b>	<b>\$ 1,232,949.00</b>	<b>\$ 1,186,610.00</b>	<b>\$ 3,385,991.00</b>
<b>Net Operating Income</b>				<b>\$ 56,000.00</b>
<b>Other Expenses</b>				
9800 Fixed asset purchases	0.00	0.00	0.00	0.00
9830 Capital purchases - equipment	0.00	0.00	0.00	12,000.00
9840 Capital purchases - vehicles	0.00	0.00	0.00	44,000.00
<b>Total 9800 Fixed asset purchases</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 56,000.00</b>
<b>Total Other Expenses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 56,000.00</b>
<b>Net Other Income</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (56,000.00)</b>
<b>Net Income</b>				<b>\$ -</b>

## Virginia Outdoors Foundation

### Overview: Proposed FY11 General Operating Budget- summary

July 2010 - June 2011

	Total Administrative Division	Total Esmt Division	Total Stewardship Division	Total General Operations
<b>Income</b>				
4000 Program Specific Grants & Contributions	0.00	0.00	0.00	0.00
4100 Unrestricted Contributions & Grants	125,000.00	0.00	0.00	125,000.00
4110 General Fund Appropriations	0.00	0.00	0.00	1,752,750.00
4120 Investment Earnings	0.00	0.00	0.00	30,500.00
4130 Miscellaneous Income	0.00	0.00	0.00	0.00
4200 Recordation Fees	0.00	0.00	0.00	571,200.00
4220 Cost Recovery Fees	0.00	0.00	0.00	6,400.00
4230 LPC Transfer Fees	0.00	0.00	0.00	956,141.00
4300 Non-Cash (In-Kind) Contributions	0.00	0.00	0.00	0.00
4400 Benefit Collections from Employees	0.00	0.00	0.00	0.00
<b>Total Income</b>	<b>\$ 125,000.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,441,991.00</b>
<b>Expenses</b>				
5100 Personal Services	633,385.00	1,058,311.00	929,935.00	2,621,631.00
5300 Professional Services	27,000.00	12,000.00	75,000.00	114,000.00
5400 IT Goods and Services	113,164.00	52,475.00	52,000.00	217,639.00
5500 General Services	18,876.00	3,500.00	12,650.00	49,151.00
5520 Telephone	7,792.00	22,700.00	15,550.00	46,042.00
5530 Insurance	8,800.00	0.00	0.00	8,800.00
5540 Office Costs	40,170.00	51,400.00	64,100.00	155,670.00
5545 Memberships/Data Services	31,260.00	0.00	0.00	31,260.00
5550 Travel Expenses	21,600.00	11,900.00	14,500.00	48,000.00
5560 Training and Development	12,310.00	9,113.00	10,875.00	32,298.00
5570 Outreach/Volunteer Coordination	4,100.00	0.00	0.00	4,100.00
5575 Fundraising/Development	18,650.00	0.00	0.00	18,650.00
5600 Supplies & Materials	15,200.00	11,550.00	12,000.00	38,500.00
<b>Total Expenses</b>	<b>\$ 952,307.00</b>	<b>\$ 1,232,949.00</b>	<b>\$ 1,186,610.00</b>	<b>\$ 3,385,991.00</b>
<b>Net Operating Income</b>				<b>\$ 56,000.00</b>
<b>Other Expenses</b>				
9800 Fixed asset purchases	0.00	0.00	0.00	56,000.00
<b>Total Other Expenses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 56,000.00</b>
<b>Net Other Income</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (56,000.00)</b>
<b>Net Income</b>				<b>\$ -</b>



**VIRGINIA OUTDOORS FOUNDATION (VOF) RESOLUTION TO ADOPT THE  
FISCAL YEAR (FY) 2011 BUDGET**

WHEREAS, the fiscal year for the Virginia Outdoors Foundation is 1 July through 30 June; and

WHEREAS, a fiscal year Budget is developed and adopted to provide planning and program guidance to the VOF Board of Trustees and the VOF Management Team; and

WHEREAS, Budget calculations are developed from the best available information before the commencement of a new fiscal year; and

WHEREAS, line items in the budget are for planning and program allocation purposes and actual expenditures may vary from adopted Budget projections as long as total expenses do not exceed available revenues; and

WHEREAS, the Executive Director, in consultation with other members of the VOF Management Team and the Finance and Personnel Committee, has prepared and submitted a Proposed Budget for Fiscal Year 2011; now, therefore, be it

RESOLVED by the Virginia Outdoors Foundation Board of Trustees this 25th day of June 2010, That the VOF Budget for Fiscal Year 2011 be, and is hereby, adopted as follows:

ADOPTED by a vote of \_\_\_\_\_ in favor and \_\_\_\_\_ against.

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ATTEST:

G. Robert Lee, Executive Director