



Preserving Virginia's scenic, natural, historic, recreational, and open-space lands for future generations.

## 5.26.2016 Finance, Audit and Compliance Committee Meeting 3 Year Improvement Plan

### Immediate Objective:

Preserve Defense/Savings Fund for cash flow, emergency needs and to create an investment fund while working to create new revenue sources and increase existing revenues.

### Strengthen the Organization

- **Invest in Human Resources**
  - 3% COLA \$67,000
  - Targeted training (IT, Mgmt, Negotiation/Conflict Resolution) \$6,000
  - Add p/t support and/or jr program staff \$70,000
- **Look for Efficiency** \$7,500
  - review administrative processes (Finance, HR, IT) to improve internal controls and evaluate processes for efficiency and possible outsourcing where appropriate.
- **Capital Needs**
  - replace vehicles \$50,500
    - oldest first, one or two/year; proceeds from surplus sales will be earmarked for replacement budget
- **Plan for Future**
  - Strategic Planning \$10,000
  - Fundraising consulting \$15,000

### Grow the Organization

- **Revenue**
  - **Increase Revenue: by FY20, VOF needs add'l new revenue of \$300K at a minimum\*; target should be add'l \$500K to \$1M from several streams**
  - \* This estimate already takes into account moderate increases to private fundraising and adoption of the new fees below but not any of the legislative options.
  - **Expand Fee Schedule**
    - Increase Amendment fee: \$1,000 to \$3,000; no add'l fee for BDR.
    - Add "expediting" fee for requests for review and/or prospective buyer situations
    - Add Impact Review fee for Energy Infrastructure projects to capture some of the costs of review work prior to an official 1704 request.
    - Processing fee for New Esmts: \$1500 in addition to BDR fee (\$4,500-\$5,000 combined total)

- **Legislative work**
  - Short-term patch- work to eliminate (temporarily/continuing) the \$600K deduction from LPC Transfer fees; estimated impact to VOF: add'l \$250-350K
  - One-time additional appropriation for IT infrastructure improvements
  - Expand instruments included in Recordation fee or better yet increase from \$1 to \$2; est impact \$540,000-plus annually
  - A transaction fee of 1-5% on future sales of easement properties; variable and difficult to estimate but it would be a long-term, continuing source of revenue that would expand our "user group" and replace other new esmt fees over time.
- **Private Fundraising**
  - Work with fundraising/marketing professionals to clarify and define VOF's "brand"; to sharpen our image and find new relevance to state and private funders.
    - Talk w/
      - Berkeley Darr (previously TNC; now Darr & Co; Timberline Strategy), currently working p/t for VOF on 50<sup>th</sup> Anniversary campaign.
      - MeMe Hanley meeting scheduled for 6/10 at WAR office
    - Broaden focus to include:
      - federal, state and private grants
      - donation of fee lands to sell with an easement or without as appropriate
      - will bequests of cash and real property