2016-2017 BIENNIAL REPORT

Wild River: Vital Ground's flagship habitat project over the 2016-17 biennium. Along the Kootenai River in Montana's northwest corner, we stepped in to purchase and conserve 25 acres of a proposed subdivision in the middle of a crucial travel corridor for grizzly bears and other wildlife. Read more on page 5. Photo by Gem Vision Productions.

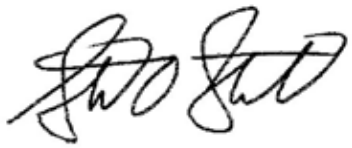
BOLD AND VITAL STRIDES

Grizzlies are on the move and in the news. As management decisions about the Great Bear's future have grabbed headlines, the bears themselves are showing us the way forward. From southwest Montana to northeast Washington, grizzlies are returning home and reclaiming historic range. And with your support, I'm proud of the bold strides Vital Ground has taken on their behalf.

With grizzlies and people crossing paths more often, an expanded Conservation Partners Grant Program is preventing conflicts in communities across grizzly country, whether through electric fencing, bear spray trainings or improved sanitation. (Pages 6-8)

As the Great Bear begins to reconnect its range, roundtables with more than 50 wildlife biologists and managers have identified and prioritized the most crucial pathways in need of protection, and the work of conserving those connections has already begun. (Page 5)

Vital Ground has always been guided by the grizzly, knowing that where the Great Bear walks, all life thrives. As we move into a challenging future, the organization remains deeply committed to the vision of a connected wild landscape where people and nature coexist. Our recent inventory of habitat conservation and conflict prevention priorities has turned that vision into a solid roadmap forward, a guide created through broad collaboration that will help the path of our conservation work match the grizzly's needs as closely as possible. As Vital Ground approaches its 30th year of conservation efforts, our scope is broader than ever and our strides bigger because of your ongoing support. Thank you.



Stuart Strahl, Ph.D.
Board Chairman

WHERE WE WORK
BRITISH COLUMBIA
ALBERTA
WASHINGTON
MONTANA
OREGON
ALASKA
North Cascades Ecosystem
Selkirk Ecosystem
Cabinet-Yaak Ecosystem
Northern Continental Divide Ecosystem
Bitterroot Ecosystem
Greater Yellowstone Ecosystem
Grizzly Bear Recovery Zone
Potential Pathway
Vision for Grizzly Restoration
Partner Project
Habitat Project
1
2
3
4
5
6
7
8
9
10
11
12

ACCOMPLISHMENTS

LANDS PROTECTED

1 Wild River

Grizzly bears in the Cabinet-Yaak Ecosystem don't benefit from the conservation strongholds of a national park like Yellowstone or Glacier. U.S. Highway 2 parallels the Kootenai River through the middle of the Cabinet-Yaak, forming a geographic waistline that splits the area in two and separates the Cabinet and Purcell mountain ranges. Recent studies estimate just 25 resident grizzlies on either side of the divide, with little genetic exchange between the two subgroups. The Wild River Project is a step toward reestablishing that linkage. Late in 2017, we completed our purchase of 25 acres near the confluence of the Yaak and Kootenai rivers, a natural funnel for wildlife that will be restored to benefit grizzlies, Canada lynx, wolverine and other wide-ranging species, as well as threatened bull trout and endangered white sturgeon. Despite biologists long pinpointing the confluence area as critical connective habitat, Wild River was slated for subdivision and residential development before this urgent project.

2 Weber Gulch

In 2016, we acquired 42 undeveloped acres above Weber Gulch. The property is a rare private inholding surrounded by Montana's Lolo National Forest at the southern tip of the Cabinet-Yaak Ecosystem. A year after our purchase, we donated the land to the public, allowing its management to be incorporated into the Lolo's Cube Iron-Silcox Roadless Area, a large wild complex that borders the inholding and provides some of the southernmost habitat for Cabinet-Yaak grizzlies, as well as important mid-elevation range for elk, mule deer and much more. Private development of the property—namely, road construction to it—would have fragmented key habitat and significantly taxed the U.S. Forest Service, requiring many hours of federal oversight and necessitating road closures elsewhere in order to maintain density requirements. In so many cases, the Forest Service has been a good neighbor to us; this time, we were able to return the favor and help protect both wildlife and public access in the region.

3 Polebridge Palace

What happens when a national conservation group moves out of an area? Above Montana's North Fork of the Flathead River, we're making sure that the answer isn't harmful new development. Our partnership with The Nature Conservancy and new conservation-minded landowners placed a conservation easement on Polebridge Palace, a treasured 142-acre forest that once played prominently in TNC's early conservation work along the North Fork. No longer using the "palace" for events, TNC opted to sell while remaining committed to protecting the place's conservation value. With just a few buildings, nearly all of the acreage remains valuable benchland forest, providing a transition zone for wildlife that move between the river and the Whitefish Mountains to the west. Threatened Canada lynx, wolverine and grizzly bears will all benefit from the enduring protection of Polebridge Palace, while this unique valley in the shadow of Glacier National Park maintains its healthy balance of wildness and limited development.

ACCOMPLISHMENTS
PROJECTS SUPPORTED

4 Luxor Linkage

Grizzly bears don't recognize international borders, so Vital Ground doesn't let them limit our work. We were delighted to provide a partner grant for The Nature Conservancy of Canada's Luxor Linkage acquisition, a project to protect 960 acres of remarkable habitat between the Purcell Mountains of British Columbia and the Canadian Rockies to their east. Grizzlies, Canada's endangered badgers, and native trout are just a few of the species that will benefit from the conservation of this lush area, while the project's long-term reach could be massive. That's because bridging the Purcells and the Canadian Rockies will help establish a northern corridor by which grizzlies and other wildlife in the Glacier-Waterton parklands move west and connect with those in the Selkirk and Purcell ranges that extend south into Idaho and Montana. Securing habitat links up north is a big step toward a connected landscape all the way from Canada down to the Bitterroots and Greater Yellowstone.

5 Madison Valley Sanitation

Lying between the Big Hole Valley and the Greater Yellowstone Ecosystem is the Madison Valley, home to world-class fly fishing and a growing outdoor tourism economy. An expanding grizzly population from Yellowstone, however, sets the stage for conflicts with visitors to the Madison. To address this growing issue, we've teamed with People & Carnivores to spread bear-aware essentials like secure garbage containers and bear spray education to homeowners who open their properties as vacation rentals.

6 Shoco Ranch

In the last decade, the Rocky Mountain Front of Central Montana has become a hotbed for grizzly-related conflict. With the Great Bear recovering in the protected wilderness of the Glacier-Bob Marshall area, grizzlies have begun following waterways out onto the prairies that long provided range for the species. As they do, however, they unknowingly cross from public land onto private land, and often find themselves too close to human development to stay safe. Conservation easements like Shoco Ranch's are an inspiring solution. Outside the town of Augusta, we supported the work of Montana Land Reliance to prevent subdivision on this 836-acre ranch that provides excellent habitat for grizzlies, elk and much more. This widespread team effort also included backing from Montana Fish, Wildlife & Parks; Lewis & Clark County; and the Rocky Mountain Elk Foundation, a testament to the common values of keeping working lands working and open space open.

7 Swan Valley Bear Resources

The picturesque Swan Valley links Montana's Mission and Swan mountain ranges. It's also home to Vital Ground's first conservation easements and still holds our largest collection of habitat protection projects, making us especially eager to invest in conflict prevention there. Our support of Swan Valley Bear Resources, a collaborative group of landowners and conservationists, boosts their programs to educate residents and visitors about bear-resistant garbage containers, electric fencing for livestock and more.

8 Troy, Montana Sanitation

Nestled near several Vital Ground habitat projects in the heart of the Cabinet-Yaak Ecosystem, the 1,000-person town of Troy, Montana, knows plenty about bears. And the bruins know about Troy, too, with its fruit trees, gardens, and garbage creating an unfortunate history of conflicts. That's why we were excited to partner with the municipal governments of Troy and Lincoln County, as well as Montana Fish, Wildlife & Parks on an effort to consolidate garbage containment to one area in town, and to install electric fencing that prevents bears from accessing it. This kind of community coexistence effort is the vital companion work to our nearby habitat protection projects at Alvord Lake Community Forest, Wild River and Yaak Mountain. As we continue to connect and protect the Cabinet-Yaak's small but resilient grizzly population, keeping bears in the forest and out of Troy's garbage is a big win for all parties involved.

9 Big Hole Watershed Range Rider

Southwest Montana's Big Hole Valley and surrounding mountains offer wild pathways between the Greater Yellowstone and Bitterroot ecosystems, and grizzlies are just starting to reclaim the area after a century of absence. That means conflict prevention must follow, and we're teaming up with the Big Hole Watershed Committee to make it happen. BHWC's new Range Rider works with ranchers and other landowners on livestock carcass removal, modified grazing plans and other vital measures to help grizzlies and people coexist.

ACCOMPLISHMENTS

PROJECTS SUPPORTED

10 Confederated Salish & Kootenai Tribes

Grizzly recovery in the Mission Mountains—part of the larger Northern Continental Divide Ecosystem—has brought more bears down into the Mission Valley in recent years. It's a troubling trend because of the area's agriculture, with ranches and farms dotting the lush historic floodplain of Flathead Lake, now a part of the Flathead Indian Reservation. Domestic livestock alone have been involved in conflicts with 30 different grizzly bears since 2010, with 13 of those ending in bear mortalities or relocation, according to wildlife managers from the Confederated Salish & Kootenai Tribes (CSKT). And that's not to mention the growing problem of grizzlies raiding cornfields in the valley—an easy meal that can be hard for a hungry bear to resist. It added up to a no-brainer partnership between Vital Ground and CSKT to invest in an electric fencing study that could lead to widespread conflict prevention up and down the Mission Valley.

11 Blackfoot Valley Range Rider

Few things sound more authentically western than the job title of Range Rider. The Blackfoot Challenge's program lives up to the name, providing essential on-the-ground services that ensure the coexistence of wildlife and ranching, two sides of the Blackfoot Valley's rich heritage. The Blackfoot Challenge is a collaborative of local landowners and conservationists who facilitate the longest-running range rider program in the country—not to mention winter carnivore monitoring and human-bear conflict reduction programs within communities. Each summer, range riders monitor livestock and predators across 40,000 acres of rugged country, checking herd health, updating ranchers and community members on wolf and grizzly travel, and detecting and removing livestock carcasses from high-risk sites. These hard-working individuals stop conflicts before they happen. We've been proud to support their work since 2015.

12 Southwest Montana Bear Education

Southwest Montana is particularly vital ground in the effort to link the Greater Yellowstone Ecosystem's grizzlies with other subpopulations. Roughly 700 grizzlies call the ecosystem home, making them a potential source for the return of the Great Bear to the Bitterroot Ecosystem and improved connectivity and recovery in the Cabinet-Yaak and Selkirk ecosystems farther north. But for those connections to happen, bears need to be able to range far from Yellowstone without running into trouble. They need social habitat as well as open space across the landscape. That's why we partnered with the Wildlife Management Institute on their two-year effort to develop programs that will spread bear awareness and reduce conflicts west of Yellowstone in the communities of Southwest Montana. From bear spray trainings to installing bear-proof containers in campgrounds, we're behind this effort every step of the way.

SILVERTIP LEGACY CIRCLE

The Silvertip Legacy Circle is a group of extraordinary people who have made a lifelong commitment to Vital Ground in their estate plans. They understand the importance of land conservation and want to make a real, lasting difference for grizzly bears and wildlife habitat. Vital Ground welcomes new members who would like to include Vital Ground as part of your conservation legacy. Your commitment will have lasting rewards for generations to come.

Meet Silvertip Legacy Circle Members
www.vitalground.org/silvertip

Planning Through the Generations: Both Sabina C'de Baca and her daughter, Rita Wolfe, are leaving a legacy for bears and other wildlife. Before Sabina and her husband Nazario died, she said, "I believe in the mission and work of Vital Ground, so we created a Charitable Gift Annuity to help ensure a future with wildlife and wild places. I did it for my children, grandchildren, and now my 36th great-grandchild." To learn more about joining the Silvertip Legacy Circle, contact Kim Davitt, Development Director, at (406) 549-8650 or kdavitt@vitalground.org.

GRIZZLY COUNCIL

Members of Vital Ground's Grizzly Council have protected thousands of acres of habitat for the Great Bear and other wildlife. This incredible group of donors has partnered with Vital Ground by providing the funding or land donations for critical conservation easements and acquisitions. Grizzly Council members give philanthropic contributions of $25,000 or more, or donate land or conservation easements valued at over $100,000.

Vital Ground's Grizzly Council
www.vitalground.org/grizzly-council

From climbing the high peaks of the Rockies to protecting the wildlife that make this region so enduringly wild, Vital Ground Trustee Maureen Mayer, right, and her husband, Thom, match their love of the outdoors with their commitment to conservation. The pair are members of Vital Ground's Grizzly Council, an extraordinary community of donors who have made a permanent difference on the land through support of Vital Ground. To learn more about joining the Grizzly Council, contact Kim Davitt, Development Director, at (406) 549-8650 or kdavitt@vitalground.

2016-2017 FINANCIAL REPORT

Thanks to the generosity of our supporters, The Vital Ground Foundation ended the 2016-2017 biennium in a strong financial position. Public support and revenues totaled $3,082,678.

During this period, 77.96%* of all expenditures was spent on conservation and education programs.

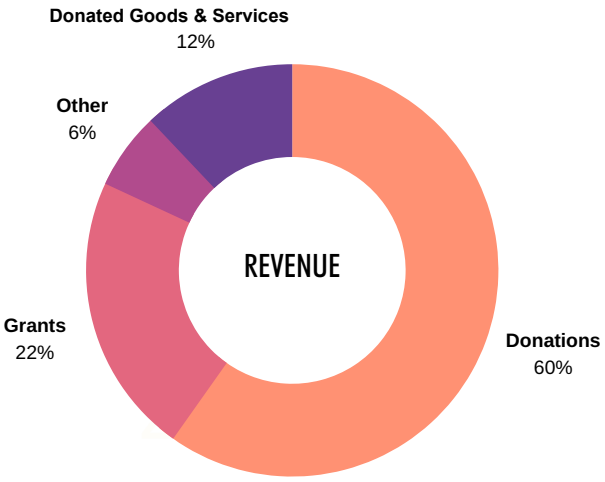
Land held for preservation by Vital Ground represents an asset of $3,827,804 as of December 31, 2017.

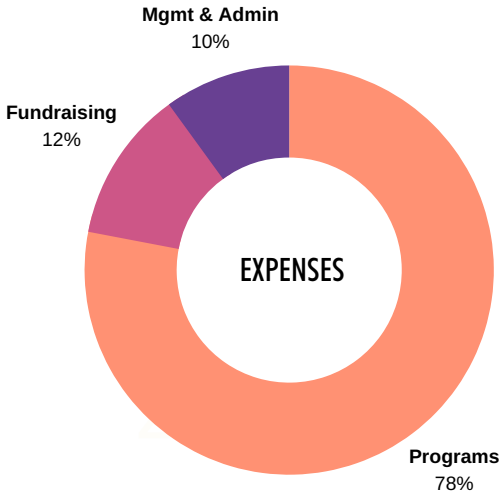
Vital Ground depends on private contributions to finance our wildlife habitat conservation work. As a charitable nonprofit organization, our success depends upon the generous support of our many individual donors, foundations and business partners. Donations to Vital Ground qualify as charitable contributions and may be tax-deductible.

** The Better Business Bureau's Wise Giving Alliance Standards for Charity Accountability suggest that a charity should spend at least 65% of its total expenses on program activities.*

STATEMENT OF FINANCIAL POSITION

	12/31/17	12/31/16
ASSETS		
Cash and Cash Equivalents	825,988	595,274
Investments	1,147,369	827,353
TOTAL	**1,973,357**	**1,422,627**
Receivables and Prepaids	119,549	119,549
Total Land and Land Improvements	3,941,638	3,323,423
Property, Equipment, Other Assets	39,502	19,019
TOTAL ASSETS	**$6,074,046**	**$4,844,618**
LIABILITIES and NET ASSETS		
Total Liabilities	181,899	45,107
Net Assets	5,892,147	4,839,511
TOTAL LIABILITIES and NET ASSETS	**$6,074,046**	**$4,884,618**





Note: The transaction cycle in land conservation can take several years to complete. Consequently, program expense ratios vary significantly from year to year depending on how many transactions are actually finalized during the fiscal year, and the value of donated real estate and conservation easements. Additionally, in accordance with Generally Accepted Accounting Principles (GAAP), the purchase price of land, which is a significant mission delivery expense for many land trusts, is not included in program expenses, but is recorded as an asset on the organization's balance sheet. Due to these unpredictable factors and accounting practices, Charity Navigator no longer evaluates land trusts.

VITAL GROUND
AND PARTNERS

Protecting Habitat
Preventing Conflicts
Since 1990

618,000 Acres Conserved and Enhanced

11 Properties Acquired for Wildlife

22 Conservation Easements

83 Partner Grants

Vital Ground envisions a permanently connected landscape ensuring the long-term survival of North America's grizzly bears and the many native species that share their range.

Weber Gulch rises up from the Clark Fork Valley into the southern folds of Montana's Cabinet Mountains. A popular trailhead at the base of the drainage serves thousands of protected roadless acres in the Lolo National Forest, but a private inholding surrounded by these wildlands posed a significant threat to habitat connectivity and public access. That's until Vital Ground entered the picture. Read more on page 5. Photo by Gael Bissell.

The Vital Ground Foundation's mission is to protect and restore North America's grizzly bear populations for future generations by conserving wildlife habitat, and by supporting programs that reduce conflicts between bears and humans. To accomplish this, we:

- Protect lands that grizzlies need to survive, not only for bears but for all other species that share their world;
- Work where human impacts encroach on some of the wildest places left on the continent;
- Target projects that sustain habitat connections and conserve critical lands;
- Ground projects on current science and strong partnerships.

Please join us! As a 501(c)(3) nonprofit, our success depends on you!

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Bart the Bear™

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Polebridge Palace overlooks Montana's North Fork of the Flathead River, where sunrises like this one illuminate the peaks of the Whitefish Range and Glacier National Park that encircle the North Fork Valley. This 142-acre property was once a stronghold for The Nature Conservancy in the area; now Vital Ground's partnership with new private landowners will permanently protect an iconic viewshed and critical wildlife habitat. Read more on page 5. Photo by Jim Rittenburg.