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From the Board Chair and the President

For twenty years, Potomac Conservancy has fought to protect the health of the Potomac River and its surrounding lands. In 1993, concerned about assaults to the scenic integrity of the Potomac Gorge, a group of kayakers founded an organization that continues to serve as the Voice of the Nation's River, sounding the alarm to emerging threats to the Potomac. These courageous individuals formed a land trust that sought to protect the forested shoreline through conservation easements.

Today, the Conservancy continues to build on this tradition of taking a stand on the important issues affecting the lands and waters of the region. But we understand the threats facing the Potomac and its surrounding lands are much more complex than the conversion of land—the rapid increase in urban polluted runoff, the loss of forested lands to development, and toxics producing intersex fish in the river.

Responding to these challenges, we have expanded the original geographic reach to include all the lands that drain into the Potomac and its tributaries. The Conservancy has also directed our conservation and advocacy efforts to a few priority areas to have the greatest impact. And we sharpened our focus to improve the water quality of the Potomac through critical land use decisions at the local level.

Potomac Conservancy knows what must be done to protect our neighborhood streams and creeks. Simply stated, we need to reduce the amount of pollution and the volume of water that flows across the land when it rains. To bring about these changes, we must modify land use policies at the local level and increase funding for water quality programs.

Conservancy staff and volunteers are out in local communities every day advocating for river-friendly land use decisions. To achieve our aims, we must expand our community, increasing the number of people who consider themselves advocates for the Potomac.

We need a supportive community to win policy battles and to increase funding for clean water initiatives. Nothing convinces local officials to move on issues of importance more than an active group of constituents demanding clean water protections.

With the refinements and revisions to our strategies and tactics over the past two decades, one thing has never changed or waivered—our strong commitment to protecting the Potomac River and its surrounding lands from pollution and other threats.

Over the next 20 year we will continue to speak up for land use decisions that protect our Potomac. We're glad you will join us on this important journey for this critical cause.

Sincerely,

Bill Eichbaum

Hedrick Belin



2012 Accomplishments

Policy

- Conservation funding: \$10 million in Virginia
- County codes: 41 Virginia localities assessed

Land Protection

- Permanently protected land: 266.8 acres
- Conservation easements:2 new easements
- Miles riparian buffer protected: 4.8
- Acres wetland protected: 23.8

Beautification

- Trash removed: ~7,400 lb
- Native hardwood seed collected: ~11.000 lb

Outreach & Engagement

- Volunteer hours: ~4,600
- Number of volunteers: ~2,400



Partners and Supporters

Potomac Conservancy offers special thanks to donors listed here, and our appreciation to each and every individual and organization that supported us with financial contributions, volunteer time, and in-kind donations in 2012. Note: Non-easement donations are for 9 months, ending September 30, 2012.

THE POTOMAC SOCIETY

These donors have contributed lands vital to the rivers and streams of the Potomac Watershed by donating conservation easements in 2012.

Spencer & Shirley Dean Dr. Audrea Wynn

WATERSHED SOCIETY

Donations over \$10,000

Anonymous

Clover Hill Civic Association

Healy Foundation

Sheldon & Audrey Katz Foundation

Morrison Family Foundation

Nashville Bank & Trust

Jean T. & Heyward G. Pelham Foundation

Lenore and Rafe M. Pomerance, Jr.

Bill & Donna Roberts

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PIEDMONT SOCIETY

Donations between \$5,000 and \$9,999

Alice Shaver Foundation

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Sally Davidson

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Alison Taylor

Mary Weinmann

Judy Whalley & Henry Otto

TIDEWATER SOCIETY

Donations between \$1,000 and \$4,999

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Hedrick Belin & Mary Bissell

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John Curley

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BOWA Builders, Inc.

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General Dynamics

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FOUNDATIONS

Anonymous

American Rivers

Agua Fund

Blue Moon Fund, Inc.

The Morris & Gwendolyn Cafritz

Foundation

The Keith Campbell Foundation for the

Environment

Chesapeake Bay Funders Network

Chesapeake Conservancy

The Community Foundation for Northern

Virginia

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Defenders of Wildlife

Mars Foundation

The Henry Foundation

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George L. Shields Foundation

The Volgenau Foundation

Wallace Genetic Foundation

GOVERNMENT PARTNERS

Fairfax Water

National Fish & Wildlife Foundation

National Park Service

USDA Forest Service, Chesapeake Bay

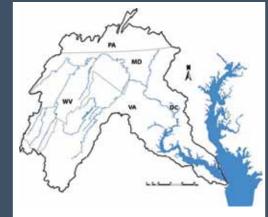
Program

Photo: Anne Sundermann

Spotlight on Policy

Potomac Conservancy works with local governments in the Potomac region to strengthen and enact policies and regulations that significantly and efficiently reduce polluted runoff in urban areas. Urban runoff is the fastest growing detriment to the health of the Potomac and waterways throughout the region. It is crucial that governments at federal, state, and local levels continue to work together to enhance funding for vital water clean-up efforts.

Fortunately for those of us who call the Potomac region home, our river and the streams that feed it fall under the historic and comprehensive Chesapeake Bay clean-up plans. These plans ensure that jurisdictions in the Potomac watershed (that is, Maryland, Virginia, West Virginia, Pennsylvania, and the District of Columbia) meet established pollution limits by 2025. Improvements to our region's water quality have been hard won, and finishing the job is no easy task.



We must continue to work toward and fight for fishable, swimmable, and drinkable waters. We are all accountable. Potomac Conservancy is working with partners and elected officials to ensure that the needs of the Potomac River and communities that rely upon it are met through public policy. We cannot do it without your support! Be a voice for the Potomac River and clean water in your backyard streams. Vote, act, speak up, advocate for clean water!

2012 Successes

Protecting Forest, Field and Wetlands in Virginia

In June of our shortened 2012 fiscal year (January 2012-September 2012), the Land Program completed the Licking Run conservation easement in Fauquier County, Virginia. This easement protected 79 acres, including 23 acres of closed-canopy forest, 52 acres of wetland, and 1.3 miles (2.1 riparian buffer miles) of Licking Run, a tributary to the Occoquan River. Marsh Resources, Inc., restored many acres of wetland on the property.

Are Counties Making the Grade?

In an effort to assist local governments with the implementation of their state-required pollution-reduction plans, Potomac Conservancy partnered with the James River Association and Friends of the Rappahannock to create the Virginia County Scorecard; an assessment of county-level codes and ordinances to identify opportunities for improved local water and landuse regulations.

Advocating for Clean Water, Green Landscapes

Potomac Conservancy pursued and helped enact many high-impact public policies in 2012. Despite the lean fiscal climate, the Conservancy and partner groups successfully encouraged Virginia's General Assembly to raise the funding level for agricultural conservation programs to upwards of \$10 million. This critical investment in clean water for Virginia's communities will benefit the Potomac River and the Chesapeake Bay.

Community Conservation

In 2012, the Conservancy successfully hosted nearly 60 community conservation programs engaging more than 2,000 community members at the River Center and other stewardship sites.

Potomac Conservancy continued to foster a strong partnership with National Park Service through the Canal Stewards program. Volunteers collected more than 7,400 pounds of trash, pulled invasive plants from the Potomac's shorelines, and managed four miles of the C&O Canal towpath at the River Center and the picnic area at Fletcher's Boathouse.

More than 1,300 volunteers including more than 45 community groups, collected approximately 11,000 pounds of native hardwood seeds through the Conservancy's Growing Native program. Once collected, the seeds were donated to state nurseries, grown into trees, and used in restoration projects.

Mapping Key Protection Areas

In late 2012, Potomac Conservancy staff hosted two public workshops in Romney, West Virginia, to identify key protection areas in the South Branch Potomac River valley. Participants listed and later voted on the most important characteristics of their natural community, including such elements as expansive forest land, clean river water, and active family farms. Potomac Conservancy and our partners at Defenders of Wildlife then created maps to display the most valued characteristics. These maps are now used to identify key areas for protection and restoration, based on the values and desires of community members.

Reaching a New Landowner Audience

Last April, the Conservancy launched a new outreach initiative aimed at engaging non-operator farmland owners in conservation. Depending on location (state), this growing group owns between 29% and 57% of farmland in the Potomac River watershed. Because these landowners are not farmers themselves, they are often unfamiliar with conservation programs that can help improve the sustainability of farmland.



Advisor Joe Thompson talks to landowners.

To help fill this gap, the Conservancy hired a Landowner Advisor, Joe Thompson, who has been focusing exclusively on reaching out to non-operator landowners in central Maryland. More than 70 landowners responded with interest and half then requested a free site visit from Joe to assess conservation opportunities on their land.

Joe has found that the main driver for many landowners is protecting their investment. They want to make their land sustainable and farm it in a way that doesn't degrade soil or water.

Joe will continue to reach out to landowners. One landowner has already secured a \$25,000 grant to plant more than 16 acres of trees. Many others have expressed interest in implementing the priorities identified on their land, and Joe is excited to continue to assist them.

2012 Financial Statements

Statement of Activities for the short Fiscal Year Ending September 30, 2012. (Financial statements reflect 9 months of activity.)

REVENUE

Total Revenue	\$1,129,095
In-kind Contributions	55,000
Investment Income (Loss)	9,099
Government	251,098
Stewardship	43,227
Corporations	45,851
Foundations	420,882
Individuals	\$303,938

EXPENSES

Conserva	tion &	Outreac	h Pro	grams
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Land Protection	 \$317,294
Public Policy	 238,522
Public Support	 .274,676
Total Programs	 830,492

Support Services

General & Administrative	. 98,575
Fundraising	. 144,732
Total Support Services	243,307

Total Expenses 1,073,799

Excess (Deficiency) of

Revenue over Expenses \$55,296

2012 REVENUE

