

LAND TRUST NEWS

The Newsletter of the Maine Land Trust Network | Winter 2006

MLTN's Strategic Plan Calls for Increased Direct Assistance and Funding for Land Trusts

Over the past year the Maine Land Trust Network developed its first formal strategic plan. The process, led by a subcommittee of the MLTN Steering Committee and consultant Jean Hayes, involved a thorough examination of the Network's programs, finances, strengths, weaknesses, opportunities, threats, and needs. The process dovetailed with Maine Coast Heritage Trust's organization-wide planning process to foster exchange and coordination of complimentary activities. The MLTN plan is included as an integral part of MCHT's plan. MLTN members were provided the opportunity to review and comment on the plan at various stages of its development.

Many did so, and we are deeply grateful for their guidance.

The new plan charts a clear course for the Maine Land Trust Network over the next five years. Maureen Hoffman, newly elected Chair of the MLTN Steering Committee, is thrilled with the outcome. "The new plan points to an array of services and activities that will widely benefit Maine's land trust community. The focus on direct assistance, regional activities, and additional resources addresses real needs of local land trusts and will positively impact the picture of land conservation in Maine."

Highlights of the 2006 - 2010 MLTN Strategic Plan include:

- Increased focus on regional program offerings
- Providing additional one-on-one assistance to land trusts through increased Network staff peer exchange
- Direction of additional funding to land trust organizational capacity needs
- Linking programs to Land Trust Standards and Practices and accreditation
- Increased development of, and access to, resources – sample documents, tool kits etc.

Copies of the full plan may be obtained by contacting MLTN Assistant Donna Bissett at (207) 729-7366 or dbissett@mcht.org.

Maine Land Conservation Conference

May 5th & 6th

Pineland Farms & Brunswick High School

Please join over 400 of your land conservation colleagues for two days of training this spring. Over 30 workshops are being offered – with topics sure to interest the newest board members, the most seasoned practitioners, and those in between. Don't miss the May 5th session on "Sustainable Land Conservation" which will address some of the most critical issues that the land conservation movement will face in years. The welcoming reception will feature ample networking time in addition to a presentation on the history of Baxter State Park and an update on current efforts to fulfill Governor Baxter's vision. The May 6th Plenary Session will feature a talk by James N. Levitt, Director of the Program on Conservation Innovation at the Harvard Forest, which will give valuable insight and encouragement to all involved in advancing land conservation. *Conference brochures may be obtained by contacting MCHT or visiting www.mlt.n.org.*



Alana Preston

Quoddy Regional Land Trust and the Regional Medical Center at Lubec successfully completed their campaign to acquire the Pike Lands in Lubec. The 128 acres includes nearly 7,000 feet of dramatic ocean frontage on South and Cobscook Bays. It also includes a barrier beach, tidal inlet, and salt marsh. This project ensures that shore access, hunting, fishing, and hiking will continue.

News from Our Members

The **Bangor Land Trust** has been pledged a gift of 410 acres adjacent to the Bangor City Forest. The land is a wonderful addition to existing conservation lands in the Caribou Bog - Penjajawoc Corridor. BLT has also hired Lyndsey Monroe as Program Coordinator and first staff member. BLT is sharing office space with Eastern Maine Development Corporation in downtown Bangor.



Over the past five years **Maine Farmland Trust's FarmLink Program** has helped over 15 young farmers purchase or lease farms. Chris Lewis, seen here bringing in his dairy cows, is one of the 150 farmers in the FarmLink Program. Chris leases George Christopher's dairy farm in Bowdoinham and hopes to eventually purchase his own dairy farm.

its first capital campaign raising over \$182,000 to purchase an approved 70-acre, 11-lot subdivision surrounding Great Falls on the Narraguagus River in Deblois. The Trust also created its first "salmon-safe" working forest reserves including a 400+ acre tract below Burnt Mill Rips on the Pleasant River in Columbia Falls and a 150+ acre tract at Wigwam Rapids along the Machias River.

The **Eastern Trail Alliance**, with a vision of a greenway connecting Casco Bay with Kittery, recently received a trail easement and funding that enabled them to build a ¾ mile trail in Scarborough along the Scarborough Marsh and Nonesuch River.

The **Loon Echo Land Trust** successfully completed its Lakes Region Legacy Campaign, raising over \$1.5 million to protect Pleasant Mountain and expand the Sebago Headwaters Preserve.

Medomak Valley Land Trust recently acquired an easement on 200 acres of mostly forested land that



Volunteers from the **Georges River Land Trust** and the **Sheepscot Wellspring Land Alliance** met at the half-way point of a new mile-long path that joins GRLT's 10-mile Frye-Hogback section of the Georges Highland Path and SWLA's 3-mile Bog Brook Loop.



The **Boothbay Region Land Trust** dedicated a new half-mile handicapped accessible trail on its Penny Lake Preserve in November. The trail includes a 130-foot bridge that spans freshwater wetlands that offer fantastic birding. This is one of only a few trails in Maine that meet Americans with Disabilities Act Standards and is in keeping with the Trust's effort to ensure that the entire public has access to its lands.

Working in conjunction with Pine Island Camp, the **Belgrade Regional Conservation Alliance** acquired 197 acres on Mount Phillip in Rome, preserving the mountain that dominates the northern shore of Great Pond. This acquisition adds another popular hiking spot to the Alliance's portfolio of protected lands.

The Maine Conservation Corps spent five weeks at Chewonki's **Eaton Farm Preserve** completing nearly 5 miles of trail. The preserve came to Chewonki as part of the decommissioning of the Maine Yankee Atomic Power Station, and the trail is the first leg of what will likely be a 12-15 mile trail between Chewonki Neck and the center of Wiscasset, much of which will be on tidewater.

Downeast Rivers Land Trust recently concluded

provides an undisturbed habitat corridor between Storer Pond and the blueberry fields of Clarry Hill in Union and Waldoboro. Preservation of the property is important for protecting the mostly undeveloped watershed of Storer Pond, significant forested wildlife habitat, and a scenic viewshed along Jackson Road.

The **Mount Agamenticus to the Sea Coalition** received two \$1,000,000 federal grants, recognizing the importance and effectiveness of the Coalition in protecting coastal natural resources of significance. The funding came from the North American Wetland Conservation Act and the Coastal and Estuarine Land Protection Program managed by the US Fish and Wildlife Service and National Oceanic and Atmospheric Administration respectively.



The **Three Rivers Land Trust** signed an easement protecting more than a thousand feet of undisturbed shoreline on the middle branch of the Mousam River in Alfred. The property was transferred to the town and will be monitored by the trust. The town will appoint a committee to create a traditional walking trail and public canoe / kayak access to be kept open forever.

Town of Lovell to Allocate Current Use Penalties to Land Conservation Fund

by Tom Henderson *Executive Director, Greater Lovell Land Trust*

It has been said, "Land. They're not making any more of it." However, on March 4, 2006 the citizens of the Town of Lovell made some new ground. At the annual Town meeting residents considered and approved an unprecedented conservation warrant article (as far as we know) in the State of Maine.

The article reads as follows: "To see if the town will vote to allocate one hundred percent of funds received from penalties assessed on properties removed from Tree Growth or Open Space status to a town conservation account for use only in the purchase of conservation easements or conservation lands by the town independently or in partnership with conservation organizations."

The Greater Lovell Land Trust drafted this article and submitted it for consideration. In speaking in support of the article one resident stated that Lovell residents and visitors value rural and small town character. If development threatens to change the nature of our surroundings, this measure provides a tool to balance that growth by protecting some natural areas.

Communities wishing to adopt similar articles should consider two important items. First, is your town currently assessing penalties at the full value allowed under the law (see Property Tax Bulletin 19 of the Maine Revenue Service.) Penalties are set by law at between 20-30% of difference in assessed value under Tree Growth and the fair market value at time of removal from the program (the percentage being based on how long the land has been enrolled in the program).

Second, what is the trend in your community for property being removed from Tree Growth and Open Space classifications? In Lovell, penalties assessed between 1995 and 2003 totaled \$3,133, but escalated to \$7,686 in 2004 and \$8,950 in 2005. The reserve grows proportionally to the rate and value of land removed for other uses.

One might argue that such funds are not significant enough to make a difference. In many cases penalties paid from one acre are not enough to purchase an interest in an equal acre. However, very meaningful conservation funds can be raised when towns assess the full penalty established by law. Additionally, these funds can serve as leverage to obtain matching foundation support and access to other public and private funds. The availability of dedicated cash reserves permits towns to promptly enter into options and purchase and sale agreements, when needed.

Perhaps the most significant benefit is the community commitment to conservation. Town leaders know they have citizens' support to pursue conservation projects and partnerships and have a cash tool to take action. The citizens of Lovell deserve great credit for their vision and commitment to conservation.

Land Trust Standards & Practices

This is the second article in a series describing the Land Trust Standards and Practices - the ethical and technical guidelines for the responsible operation of a land trust. Full text of the Standards and Practices, in addition to extensive supporting documents, appendices, and other details regarding each Standard and Practice are available at www.LTAnet.org.

Land Trust Standard 2: Compliance with Laws

The land trust fulfills its legal requirements as a nonprofit tax-exempt organization and complies with all laws. A good understanding of and compliance with the basic legal requirements of becoming and remaining a nonprofit, tax-exempt organization is necessary to operate a sound organization. A land trust that fails to comply with these requirements can face financial penalties and fines, and even revocation of its tax-exempt status. A lawyer who understands nonprofit organizations can assist, but ultimately it is the land trust board's responsibility to see that all requirements are met.

Practice 2A: Compliance with Laws

The land trust complies with all applicable federal, state and local laws. Federal, state, and local agencies establish laws and regulations applicable to nonprofit, tax-exempt organizations. The most basic of these are filing requirements for nonprofit and tax-exempt organizations, charitable solicitation laws (see Standard 5), and, for land trusts with staff, labor laws. See page 5 for a primer on state and federal filing requirements for 501(c)3 nonprofits.

Practice 2B: Nonprofit Incorporation and Bylaws

The land trust has incorporated according to the requirements of state law and maintains its corporate status. It operates under bylaws based on its corporate charter or articles of incorporation. The board periodically reviews the bylaws. Incorporation is a prerequisite for obtaining federal (and sometimes state) tax-exempt status and, as dictated by state law, helps shield board members associated with the land trust from liability for land trust actions. Bylaws outline the basic operating procedures of the land trust and should be reviewed regularly to ensure their relevance. Amendments to the corporate charter (articles of incorporation) usually need to be approved by a vote of the members.

Practice 2C: Tax Exemption

The land trust has qualified for federal tax-exempt status and complies with requirements for retaining this status, including prohibitions on private inurement and political campaign activity, and limitations and reporting on lobbying and unrelated business income. If the land trust holds, or intends to hold, conservation easements, it also meets the Internal Revenue Code's (IRC) public support test for public charities. Where applicable, state tax-exemption requirements are met.

Practice 2D: Records Policy

The land trust has adopted a written records policy that governs how organization and transaction records are created, collected, retained, stored and disposed. This practice recognizes the importance of a records policy in protecting a land trust's assets from future legal challenges and in meeting reporting requirements. A records policy should address both organizational records, such as board minutes, and transaction records, such as deeds and baseline documentation reports. A related practice, 9G, guides recordkeeping for transactions.

Note that the Sarbanes-Oxley Act and Implications for Nonprofit Organizations, published jointly by BoardSource and Independent Sector, recommends that all nonprofit organizations have a written, mandatory document retention and periodic destruction policy. The policy should also include guidelines for handling electronic files and voicemail, which may have the same status as paper files in litigation-related cases. If an official investigation is underway or even suspected, a land trust should stop any document destruction and contact an attorney for specific advice.

Practice 2E: Public Policy

The land trust may engage in public policy at the federal, state and/or local level (such as supporting or opposing legislation, advocating for sound land use policy, and/or endorsing public funding of conservation) provided that it complies with federal and state lobbying limitations and reporting requirements. Land trusts may not engage in political campaigns or endorse candidates for public office.

Excerpts taken with permission from the Land Trust Standards and Practices.

A Primer on Land Trust Filing Requirements

By Rob Levin, Esq. (www.roblevin.net)

Rob Levin is a Maine attorney who specializes in land conservation and nonprofit organizations.

Many land trust volunteers and employees are intimidated by the array of state and federal filing requirements for Maine nonprofit 501(c)3 organizations. Because of heightened media and donor scrutiny of nonprofit groups, getting this paperwork right is now more important than ever. So without further ado, here is your clip 'n save primer on what, where and when to file.

IRS Form 990

Nonprofit 501(c)3 corporations that average \$25,000 or more in annual gross receipts (i.e., the total value of cash and property that comes in the door during the fiscal year) over a three-year period are required to file an annual IRS Form 990. (Note: organizations with gross receipts of less than \$100,000 and assets of less than \$250,000 at the end of the year may file Form 990-EZ, a streamlined version of the full 990.) The Form 990 is due by May 15, but an automatic extension to August 15 can be obtained by filing Form 8868 by May 15. In past years, the IRS has not paid close attention to mistakes or failures to file, but that is changing. All land trusts should be sure to file accurately and in a timely manner. In addition, if the land trust has unrelated business income of \$1,000 or more, it will have to file Form 990-T. (See IRS Publication 598 for more information on unrelated business income.) All IRS forms are downloadable from www.irs.gov (click on Forms and Publications). The IRS maintains a toll-free help line for nonprofit organizations at (877) 829-5500.

State of Maine Annual Report

Every Maine nonprofit corporation is required to file an Annual Report with the Secretary of State. The Report is due June 1, although the Secretary of State requests that they be filed by April 1. There is a \$20 filing fee, as well as a late fee for filings received after June 1. The Annual Report may be filed online at www.informe.org/aro/index_on.html. The Annual Report is a very simple document that asks for a list of officers and directors. There is no financial component to this form. Call (207) 624-7752 if you have questions.

Registered Agent

Every Maine nonprofit corporation must maintain an active Registered Agent at all times. The Registered Agent is a Maine resident individual whose role is to accept service of process if the organization is ever sued. If your current Registered Agent has moved out of state, passed away, or is no longer with the organization, then the land trust should file a Change of Registered Agent/Office form with the Maine Secretary of State, downloadable at www.maine.gov/sos/cec/corp/formsnew/npcforms.htm. Call (207) 624-7752 if you have questions.

State of Maine Charitable Solicitation Registration

Maine land trusts must file either an annual Charitable Solicitation Registration (\$25) or an annual Charitable Registration Exemption (\$10) with the Maine Department of Professional and Financial Regulation by November 30 of every year. Unless it files the exemption, a land trust must also file an Annual Fundraising Activity Report by September 30. These forms may be downloaded from the Department's website at www.state.me.us/pfr/olr/categories/cat10.htm. If the land trust solicits and/or accepts contributions from a critical mass of people in a state other than Maine, then I recommend completing the Unified Registration Statement (URS) and filing it with those states as well. Land trusts qualify for the Maine exemption if they: (a) raise less than \$10,000 annually; (b) solicit fewer than 10 individuals annually; or (c) solicit funds primarily within their membership, with solicitation activities being conducted by the members. For further assistance, call the Department's Licensure Division at 207-624-8624.

Employment-Related Requirements

If a land trust has one or more employees, it will need to comply with a variety of different requirements, including:

- IRS Form W4
- Annual IRS Form W2/3
- Quarterly IRS and Maine Form 941's (Maine tax forms can be downloaded from www.maine.gov/revenue)

(continued next page)

(continued from previous page)

- Employment Eligibility Verification Form I-9 (Available at www.uscis.gov/graphics/formsfee/forms/i-9.htm)
- Purchasing Workers Compensation Insurance for every employee
- Reporting all hires to Maine Department of Health and Human Services (to improve enforcement of child support obligations)(More details at www.maine.gov/dhhs/bfi/dser/Employers_Page.htm)
- Maine Unemployment Tax Filings (If 4 or more employees) (More details at www.maine.gov/labor/unemployment/index.html)

Sales Tax Exemption Requirements

Contrary to popular belief, land trusts are not exempt from the Maine sales and use tax. Other kinds of nonprofit corporations are exempt, but not land trusts. Therefore, there are no sales and use tax filing requirements.

Independent Contractor Filing Requirements

If your land trust pays \$600 or more in any calendar year to an independent contractor (e.g., attorney, accountant, web designer, marketing consultant, etc.), it must file an IRS Form 1099-MISC with the

payee by January 31 and with the IRS by February 28.

Gift Substantiation Requirements

Depending on the amount and the kind of gift, 501(c)3 corporations must meet various federal substantiation requirements. In addition, donors must make certain disclosures on their tax returns. A very useful summary of the substantiation and disclosure requirements for both nonprofits and donors can be found in IRS Publication 1771 (available online www.irs.gov/pub/irs-pdf/p1771.pdf).

Conflict of Interest Policy Annual Disclosure Forms

Although it is not a legal requirement, more and more land trusts are enacting a Conflict of Interest Policy that entails an annual disclosure requirement for board directors and key employees. The disclosure forms are not filed with any government agency but are kept in the organization's official records book for internal use. Incidentally, a conflicts policy is now a specific Land Trust Alliance Standard and Practice.

Editor's Note: *As noted by the Land Trust Standards and Practices land trusts benefit from working with a knowledgeable attorney to ensure all requirements are met.*

\$22,750 Awarded to Maine Land Trusts through the L.L.Bean Land Trust Grant Program

The following grant awards were made to Maine land trusts through a highly competitive grant program supported by L.L.Bean and administered by Maine Coast Heritage Trust (MCHT). The goal of the program is to enhance the capacity of Maine's land trusts in support of efforts to protect and steward Maine's natural landscapes and outdoor heritage.

- **\$5,000 to Coastal Mountains Land Trust** for expanding their service area to western Penobscot Bay enabling conservation in an area without a local land trust

- **\$3,750 to Woodie Wheaton Land Trust** for a land use analysis intended to kick start an almost 5,000-acre collaborative land protection effort

- **\$4,000 to Kennebec Land Trust** for Open Space Planning in Readfield, creating a blueprint for future land conservation for the land trust and the town

- **\$4,000 to Lower Kennebec Regional Land Trust** to determine how 3 local land trusts can best work toward meeting their collective land conservation goals for the Merrymeeting Bay / Lower Kennebec Estuary region

- **\$2,000 to Quoddy Regional Land Trust** for implementing critical actions identified through an organizational assessment process that will enable the organization to meet its land protection and stewardship goals

- **\$4,000 to Downeast Lakes Land Trust** to help them initiate and implement actions from an organizational assessment guiding their future land conservation efforts

MCHT and L.L.Bean are pleased to announce that a new call for proposals will be issued this May.

Network News

Board Leadership Training a Success



In December, the Maine Land Trust Network hosted a workshop with organizational consultant Marc Smiley. The session targeted board leadership and provided current and future

leaders with a plethora of useful lessons in building strong organizations through effective leadership – none more memorable than the importance of planning as demonstrated with an overflowing glass and emptying pitcher.

At the end of the day, workshop participants expressed a better understanding of organizations and changes they need to make within their own organizations. Participants left the session feeling like they had a lot to do, but were armed with the tools to do

it. Many commented that their entire board would have benefited from this training – so important and logical were the lessons.

A few comments from participants:

“I’m absolutely blown away by the content and Marc’s perspective on the topic.”

“Marc did a terrific job offering knowledge, optimism, and challenge to the group.”

“Right now I’m feeling ready to go back and change my organization.”

“I appreciate that there were nuggets of information that can be useful right away. This session was based in reality.”

“MLTN should offer this training every year.”

“All board members need this training.”

Editor’s Note: *Based on these comments I’m sure Marc will be back!*

MLTN Member Benefit – Membership in the Maine Association of NonProfits

Recognizing the value of membership in the Maine Association of NonProfits – trainings on a host of nonprofit related topics, access to group purchasing offers, and access to health insurance benefits for employees to name a few – the Maine Land Trust Network purchases, at a discounted rate, each of its members a membership in MANP. If your land trust is a member of the Maine Land Trust Network (MLTN) then you – and all the volunteers, members and staff of your organization – are eligible to attend Maine Association of NonProfit (MANP) workshops at a discounted rate.*

Recent and upcoming training offerings include:

- Building a Fundraising Board
- Thoughtful Fundraising: Balancing Mission and Money
- Meeting the Collaboration Challenge
- Quickbooks II

Take advantage of the host of workshops available to you through the Maine Land Trust Network and the Maine Association of NonProfits. For more information on MANP trainings visit www.nonprofitmaine.org.

* This benefit available to land trusts renewing their MLTN membership by April 1st and with a budget under \$500,000.

MLTN Benefits from Additional Staff

If you’ve had opportunity to call Maine Coast Heritage Trust’s office in the past three years your call was probably answered by Donna Bissett. Donna’s cheerful voice and helpful attitude will now benefit the Maine Land Trust Network program.

Donna will be spending half of her time working with Network Coordinator, Megan Shore, on Network business. Among Donna’s many responsibilities are maintenance of the MLTN website, upkeep of contact lists, and management of the MLTN Email Forum and Infolines. Please feel free to direct relevant communications to Donna at dbissett@mcht.org or (207) 729-7366.

Land Trust Accreditation Update

The Land Trust Alliance (LTA) is moving ahead with plans to create an independent Commission to oversee land trust accreditation. Thirteen volunteer commissioners were recently appointed, including David MacDonald, Director of Land Protection at Maine Coast Heritage Trust. The Commissioners will work with Commission staff to further refine the accreditation procedures this year. Testing will take place in 2007 and full operations are expected to begin in 2008. It will take a number of years before all trusts seeking accreditation are able to do so.

In a January brief to Maine land trusts, LTA President Rand Wentworth stressed LTA's commitment to helping land trusts meet standards for accreditation. To this end LTA is developing new curriculum related to Land Trust Standards and Practices with special focus on the accreditation indicator practices. LTA continues to add additional resources to their web based library, www.LTAnet.org. Look for Standards and Practices to be highlighted in a number of workshops at this year's Maine Land Conservation Conference on May 5th and 6th as well.

Visit www.lta.org for additional information and updates.

The **Maine Land Trust Network** invites your participation in guiding our programs and issues discussions. You are welcome to attend our quarterly meetings. The next meetings are scheduled for **June 7, September 14, and December 6** from 9:30 – 1:30 in Augusta. If you are interested in attending, please contact Megan Shore at mshore@mcht.org or (207) 729-7366.



Land Trust News is published three times a year for the directors, officers, and staff of the 85 subscribing members of the Maine Land Trust Network (MLTN). The MLTN is a program of Maine Coast Heritage Trust that builds and sustains the quality and effectiveness of land trusts as well as other organizations engaged in land conservation, drawing upon their collective expertise and resources to ensure responsible and successful conservation. For more information or if you would like to submit an article or news item for publication in Land Trust News please contact Megan Shore at 729-7366 or mshore@mcht.org.

Maine Land Trust Network
Maine Coast Heritage Trust
1 Main Street, Suite 201
Topsham, ME 04086
(207) 729-7366
(207) 729-6863 (fax)
<http://www.mltn.org>

Nonprofit Org.
U.S. Postage
PAID
Permit #6
Portland, ME