



**FOREST
SOCIETY
of MAINE**

Annual Report

Fiscal year ending July 31, 2011

Statement of Financial Position

Assets	July 31, 2011*	July 31, 2010
Current assets	2,188,678	1,739,605
Property & equipment	782,177	782,177
Receivables & other assets**	693,157	979,224
Total assets	3,664,012	3,501,006
Liabilities		
Current liabilities	79,908	80,157
Loan Payable	100,000	100,000
Long-term debt	0	0
Total liabilities	179,908	180,157
Net assets	3,484,104	3,320,849
Other		
Items not carried as assets***	187,658	162,895

* Note: Current year figures are unaudited

** Majority of these figures are campaign pledges

*** Donor established fund at the Maine Community Foundation dedicated to FSM's stewardship program

Fiscal Year Highlights

• **Accepted two donated easements as part of the Caribou Bog–Penjajawoc Corridor project**—Working with the Orono Land Trust and the University of Maine, FSM accepted two donated conservation easements on properties forming critical links in the Caribou Bog–Penjajawoc Corridor project. The Smith Farm and Pushaw Lake easements in Old Town and Orono complement the Perch Pond easement that FSM accepted in 2009. All three of these properties are owned by the University of Maine System and will be managed sustainably for timber, public recreation, and a variety of wildlife habitats.

• **Resolved easement violations**—It is the responsibility of the organization that holds an easement to enforce the terms laid out in that easement. This past year FSM discovered violations on two easements. The first was a lack of notification violation and the other involved an instance of harvesting too close to a special management area. Both situations have been resolved to the satisfaction of FSM and reinforce the importance of clear and timely communication between parties.

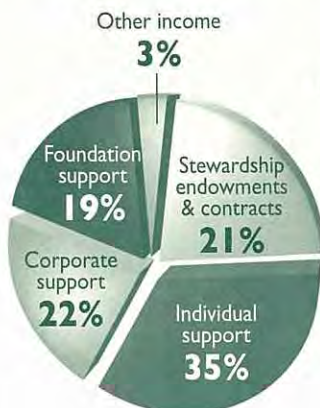
• **Met challenge grant goal**—This year, two longtime supporters challenged FSM to add 15 new members to our Director's Circle and put forth a grant to match this fundraising goal. Thanks to the efforts of board and staff, we surpassed the challenge goal by adding 18 new members at this leadership level of annual support.



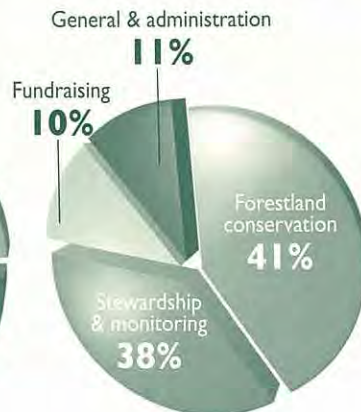
Conservation helps keep people connected with Maine's working forests

The Forest Society of Maine continues to maintain a strong base of support from a variety of sources. The charts below show the breakdown of this year's general operating support and how it was spent.

Sources of Revenue



Uses of Revenue





No matter the season, moose always have the right-of-way in the North Woods


*From the
Executive Director*



Alan Hutchinson Photo by Bruce Kidman

I have just returned from a fall trip to one of the special places that FSM has helped conserve: Attean Lake (just outside of Jackman) is where this organization was born, 27 years ago, through the remarkable foresight and generosity of the Coburn family. The Coburns donated the easements, lands, and endowment funds to conserve 20,000 acres around Attean Pond, an act that gave rise

to the Forest Society of Maine.

As I sat on the porch of my cabin one morning, admiring the scarlet color of fall maples along the shore and the early morning mist clearing over Attean, Sally, and No. 5 mountains, I was seeing the results of the faith that the Coburn family placed in FSM, all those years ago. Conversations with Attean Lodge proprietors, Brad and Andrea Holden, and a few members of the Coburn family whose visit happily coincided with mine confirmed that Attean, today, is as it was in 1984: surrounded by working forests that provide recreational opportunities, ecological protections, and scenic beauty.

The legacy of the Coburn family's vision and generosity is much more than the lands they conserved. They recognized that FSM needed to be as permanent as the land, which meant that it needed to have solid financial footing. In addition to their gift of the easement and lands, they also made a financial gift to FSM. Their gift helped pay the legal and other costs of developing and accepting the easement but, even more important, it included funds to establish an endowment for FSM. The Coburn family knew that FSM's future could only be secure with an enduring financial base.

FSM's ability to help conserve and oversee important forestlands is dependent on our financial health. That financial health depends primarily upon three important pillars of giving: your annual gifts, which we recognize and celebrate in this, our fall newsletter; your gifts for specific land conservation projects; and special gifts made to endowments.

Home from my visit to Attean, I continue to reflect on the wonderful gifts made to FSM for endowments. How inspiring to think that these gifts reflect such belief and trust on the part of those donors: belief that this organization must continue its good work, and trust that their gifts will help sustain it long into the future. A special thank you is due those who have contributed to endowments, for their support helps ensure that FSM will be strong and vital for generations to come.

— Alan Hutchinson

Statement of Conservation Position

Forestlands Conserved	July 31, 2011	July 31, 1997*
Total acres FSM has helped conserve**	1,006,116	21,189
Those involving conservation easements	952,005	20,242
% involving conservation easements	95%	96%
Acres conserved as working forests	948,104	20,242
Acres conserved as ecological reserve	58,012	947
% conserved as working forests	94%	96%
Examples of values conserved		
Number of lakes and ponds	173	9
Miles of lake, pond and river shoreline	910	68
Miles of streams	1,553	33
Number of mountain summits	22	2
Number of Native and Wild brook trout ponds***	135	4
Acres in area of Critical Habitat for Canada lynx	739,938	20,052

* Year FSM became a staffed organization
 ** Includes conservation easements and lands acquired by other conservation organizations and where FSM has annual stewardship responsibility
 *** Native and Wild are official designations of high priority brook trout ponds by the Maine Department of Inland Fisheries and Wildlife, please see page two

Endowment Contributions 1984 — present

Endowments support our work on new conservation opportunities and ongoing easement oversight responsibilities. Those who have contributed gifts specifically to endowments for FSM include:

- | | |
|------------------------------|------------------------|
| Anonymous | Ellen Nadeau |
| The Chewonki Foundation | Orono Land Trust |
| The Coburn Family | OSI Transborder Fund |
| The Giovanella Family | Nancy Sellar |
| Mary Gregor | The Shipley Family |
| Bob & Barbara Hintze | The Nature Conservancy |
| Richard Hoffman | Richard Thorpe |
| Sherry F. Huber | Craig & Nancy Troeger |
| John Kauffmann | Trust for Public Land |
| Craig Mathews & Ruth Uhlmann | Joe & Betty Walters |
| | Roy VanVleck |

In addition, many others have contributed to endowments for FSM as part of their support for the following projects:

- Amherst Mountains Community Forest
- Boundary Headwaters
- Big Spencer Mountain
- West Branch

Thank you.

