

California Rangeland Trust Earns National Recognition

The Land Trust Accreditation Commission, an independent program of the Land Trust Alliance, has awarded the California Rangeland Trust accredited status.

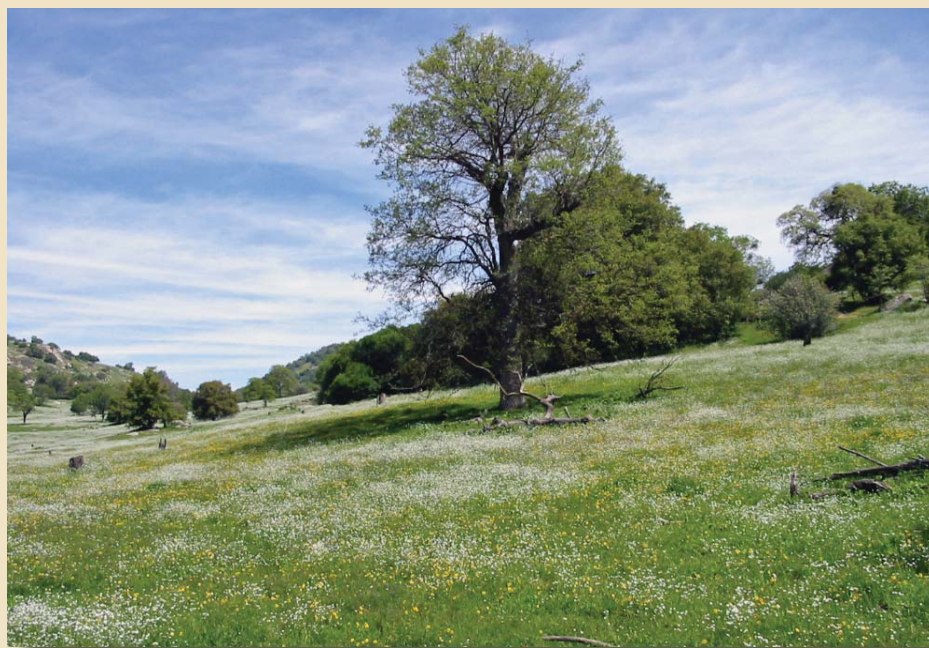
“Accredited land trusts meet national quality standards for protecting important natural places and working lands forever,” said Commission executive director Tammara Van Ryn. “The accreditation seal lets the public know that the accredited land trust has undergone an extensive, external review of the governance and management of its organization and the systems and policies it uses to protect land.”

“The California Rangeland Trust’s accredited status demonstrates our commitment to permanent rangeland conservation in California,” says Nita Vail, the Rangeland Trust’s chief executive officer.

“Our land trust is a stronger organization today having gone through the rigorous accreditation program. Land owners as well as all Californians can count on the Rangeland Trust to employ the highest organizational standards in the protection of our remaining rangeland resources.”

The California Rangeland Trust was awarded accreditation in December of 2010 and is one of 130 land trusts from

across the country that have been awarded accreditation since the fall of 2008. The Land Trust Accreditation Commission, based in Saratoga Springs, N.Y., awards the accreditation seal (pictured at left) to community institutions that meet national quality standards for protect-



Central Valley foothills in Spring.

PHOTO: FALLON HAMMON

ing important natural places and working lands forever. The Alliance, of which the California Rangeland Trust is a member, is a national conservation group based in Washington, D.C. that works to save the places people love by strengthening conservation throughout America.

“We consider it an incredible honor to receive this distinction of national accreditation. It means our process and methods for ensuring rangeland conservation are anchored in the best management practices possible,” said Steve McDonald, the California Rangeland Trust’s chairman. “We will continue to strive to ensure ranching families stay on the land where they safeguard the critical natural, cultural, and economic resources that ranchlands represent for the residents of California.”

We extend our sincerest gratitude to Ben Higgins, former chief operating officer, for his tremendous work in helping us achieve accredited status.



In This Issue

DIRECTOR'S MESSAGE.....	2
CRT EVENTS/NEWS.....	3

CONSERVATION CORNER.....	4-5
CONSERVATION WRAP UP.....	6
THANK YOU TO OUR SUPPORTERS.....	7

DIRECTOR'S MESSAGE



New Tax Act Should Get You To Act

BY STEVE SINTON, EMERITUS BOARD MEMBER, AND WARREN SINSHEIMER, ATTORNEY AT LAW



Steve Sinton

This past December, at the last minute, at least in federal time, Congress and the President came to agreement on the 2010 Tax Act, which has major though temporary beneficial opportunities for farmers and ranchers. After one year of no estate taxes in 2010, the new act avoided a reversion to a decade old statute with its highly confisca-

tory estate and gift tax provisions.

There are three federal transfer taxes - the gift tax, the estate tax and the generation-skipping transfer tax; and they have been around in one form or another since the earliest days of the American republic. Since 2001, the exemption from estate and generation skipping taxes has risen from One Million Dollars to \$3.5 Million in 2009, and then went to an unlimited exemption for people dying in 2010.

Of the three transfer taxes, the generation skipping tax is the most onerous. Generation skipping tax is imposed when a transfer is made to someone more than one generation younger than the person making the gift or bequest, such as a transfer from a grandparent to grandchild. Great caution is required with such transfers because if the transfer is subject to the generation skipping tax, the total cost of the gift can be as much as three times the amount which the grandchild actually receives. The burden of the generation skipping tax makes the statutory exemption even more important for such transfers.

The gift tax exemption had been held to One Million Dollars, even through 2010. If the government had not acted late in 2010, the exemption levels for all three taxes were scheduled to return in January of 2011, to the pre-2001 Tax Act levels.

Another significant improvement in the 2010 Tax Act is that it established a maximum rate of tax at 35% for all three taxes. The 2010 Tax Act avoided a reversion to the 60% maximum rate that would have been imposed if Congress had done nothing.

The feature of the 2010 Act that requires the greatest attention of landowners is the increase in the amount exempted to \$5 million per person or \$10 million per married couple. It is worth noting again that the gift tax exemption has never been this high, even during 2010 when the estate and generation skipping taxes were temporarily repealed.

The 2010 tax act is a big improvement, but it expires at the end of 2012 and no one knows what will happen after that. If nothing is done, we would revert to the much higher tax rates and much lower exemptions. Now is the time to think about major gifts and consult your tax advisor!

What can you do? Well, you can start by looking at gifting up to the five million dollar tax free gift to your children or grandchildren. If you are married, you and your spouse can gift up to ten million dollars, and with some additional effort and planning you can gift a lot more than that. First of all, there are well recognized discounts for fractional interests in property. If your ranch is owned just by you when you die, it will be valued at fair market value. But if you have multiple owners, such as children and grandchildren, an arms-length buyer isn't going to pay full price for your fractional interest in the ranch. The discount in value could be in the range of 35% to 50%! When you make a lifetime gift, the discount analysis applies to the portion of the ranch you give to each recipient, not what you owned to start with. Also keep in mind that you can control when you make a gift; but most of us do not control when we die. If the current advantageous exemptions and rates expire before you do, your family will not get the benefits you can assure for them by acting now. You should talk to your advisors

about using long term trusts rather than outright gifts to maximize benefits.

Also consider what a conservation easement could do for you in the valuation of a gift. If, before making the tax free

gift, a rancher places a conservation easement on the land, there will be an additional substantial discount in the value of that ranch, allowing an even greater gift. If that easement is donated, there will also be a significant income tax deduction, thanks to another provision of the 2010 Tax Act. Under the new Tax Act, charitable contributions of conservation easements can be written off at up to 50% of your taxable income (up from 30% a few years ago) and you have 16 years in which to take all of that charitable contribution (up from only 6 years). If half your net worth is in the ranch or farm, you can write off 100% of your income taxes.

We have the assurance of these great tax benefits for less than two years. While the estate tax and transfer tax rates extend through the end of 2012, the tax incentive for donated conservation easements ends on December 31, 2011. Donated conservation easements take several months to complete and purchased easements can take much longer. So get cracking!



Don't Miss A Western Affair New Date - Friday, May 20, 2011

Please plan to join us at our 10th annual *A Western Affair*. This year's gala event will be held at the magnificent and historic San Lucas Ranch in the beautiful Santa Ynez Valley. This truly magical place is where three generations of the Vickers-Crawford family have worked tirelessly to preserve and maintain the natural beauty of the ranch, including placing a conservation easement on a portion which protects rangeland on part of Highway 154 forever.

The evening festivities will delight guests with dinner, silent and live auctions, and special entertainment. The event will also feature cutting and reined cow horse demonstrations and other unique and exciting activities. Watch for your invitation in the mail and for information in the California Cattleman Magazine and on our web site.

A Western Affair **2011 Sponsors** as of March 1, 2011

Gold Spur

Murphy Austin Adams Schoenfeld LLP

Silver Spur

American AgCredit; CoBank; Farm Credit West; Monsanto

Bronze Spur

Preston B. Hotchkis; Hollister & Brace

Sponsorships are available now online at
www.rangelandtrust.org and tickets will be available online in April



Sponsor Spotlight - Murphy Austin Adams Schoenfeld LLP



Russell Austin, a Sacramento Attorney specializing in commercial real estate and conservation transactions, played a significant role in negotiating California Rangeland Trust's largest land donation to date, the 12,500 acre Deer Valley Ranch. With over 20 years experience negotiating complex conservation transactions, Russell is also supporting the sale of this property, providing legal services which includes a significant pro bono component.

Since the early 1980's, Russell has represented conservation organizations that help protect open spaces, working landscapes, natural resources, and wildlife habitat, and over that time has worked on more than 100 conservation projects. For the past eight years, Russell has served on the Sacramento Valley Conservancy Board of Directors where

he served as president for 2005 and 2006 and currently serves as chair of the Board's Land Acquisition Committee.

Russell is one of the founding partners and chair of the Real Estate Law Team at Murphy Austin Adams Schoenfeld LLP, a Sacramento law firm comprised of 26 attorneys who represent businesses and business owners, public agencies, and non-profit organizations in a wide variety of transactions and dispute resolution matters. Murphy Austin Adams Schoenfeld LLP's practice teams are focused on the core areas of business and commercial real estate, healthcare, construction litigation, labor and employment law, tax, and commercial and environmental litigation.

Russell J. Austin, Partner, Murphy Austin Adams Schoenfeld LLP - 304 "S" St., Sacramento 95811 (916) 446-2300, www.murphyaustin.com





Self-Made Cowboy Conserves Ranches Forever

Stone Corral and Tombstone Ranches



Peter Bennett

In January of this year, rancher Peter Bennett donated a conservation easement over his Stone Corral and Tombstone Ranches in Raymond, California, protecting forever nearly 2,100 acres of rich cattle ground. His sons and their heirs will remain owners and operators of the ranches where they run about 600 head of stockers and where his grandchildren (all 14 of them) and their descendants can experience the natural beauty of this land for 1,000 years.

Peter's two sons work the ranch with him and participated

in the development of the easement that now protects their land from conversion to other uses. "This was not a flippant decision," Peter said. "The small print is important – you don't want your great, great-grandchildren to choke on it one day. I have done this for them."

After having experience with a number of other land trusts, Peter chose the California Rangeland Trust because, "I could trust that I was with friends and neighbors and we both had the same agenda. I was in the arms of my bride with them!"

The Stone Corral and Tombstone Ranches lay side-by-side along a two-mile border just outside the small town of Raymond, once the terminus of train traffic to the Yosemite Valley.

A quick-witted and spry 88-year old Irishman, Peter, full of vinegar yet, is driven and definitive as he sits in the old bunkhouse at the Stone Corral Ranch headquarters talking and jesting about how he got where he is.

Self-Made Cowboy

Peter says he didn't have anything to offer in terms of being a cowboy when he was fresh out of the military and no longer wanted to be the journalist he had studied to be. So he set out to learn from the "old-time, tough ranchers" across the West. He worked for room and board – and some know-how – in wide open places like Wyoming, Nevada, and up and down California. He was hungry to learn everything he could about "how to think like a cow".

A graduate of Stanford University with a degree in journalism, Peter also took course work in animal science at Cal Poly, San Luis Obispo to enhance his hands-on learning. Always a horse-lover with roots beginning at the well-known dude ranch, Deep Well Guest Ranch in Palm Springs, he started out leading tours for visitors into the oasis of the desert.

"Starting out, the most important thing I learned was to begin my ranch on good land," said Peter. "I learned to not get down too low in elevation, giving me a short grass season, or too high, try to aim for somewhere in the middle. Good land started me off right."

Peter first began farming and ranching in the 50's with his wife. By the mid-1970's he had worked his way north from the Lancaster area and found the Tombstone Ranch, named for the Raymond Cemetery there. Ten years later he acquired the Stone Corral Ranch, so named for the long winding stone fences that surround the ranch headquarters.

"You get used to being free out here. I always have a smile on my face when I am horseback," said Peter. "It's part of what lead me to the second most significant thing in my life, putting a conservation easement on this place."

1,000 Years From Now

While keeping fee title to the land on the Stone Corral and Tombstone Ranches, Peter has been able to take advantage of the current tax incentives through the donation of the value of the conservation easement. "The newly passed Tax Act includes ramped up deductions for conservation easement donations only available until the end of 2011," said Steve McDonald, board chairman of the Rangeland Trust. "Peter's commitment and dedication to this process and to his ranch has paid off for him and future generations alike."

As an extra bonus, after having the appraisals just completed for the conservation easement, Peter is set up to gift his ranches to his sons using the lower land valuation and maximizing the recently raised estate tax exemptions. For Peter and other landowners making such a donation, this is especially beneficial to estate planning efforts.

"When I get on my horse and look out across the hills, I think about how 1,000 years from now it's going to look pretty much the same," said Peter. "It's almost too much to handle – this place has been my whole life and now it's a dream come true."



Stone Corral Ranch sign at entrance gate.

Sierra Valley Ranch Secures Its Future

Jewels of the Valley

The Sierra Valley in Northern California is like no other. In fact, it is the largest Alpine Valley of its kind in the country. Now 750 acres of this special place, on the Maddalena Ranch, will forever remain home to these environmental riches, a family cattle operation and its future generations. The Maddalena Ranch has been protected from future development through a conservation easement with the California Rangeland Trust.



Maddalena Ranch Brand

PHOTO: MADDALENA FAMILY

Ranch owners, Tony and Cindy Maddalena, have dedicated their property to grazing and ranching purposes while providing for future uses such as a youth camp. This conservation easement was funded with support from the Sierra Nevada Conservancy and the Northern Sierra Partnership due to its outstanding native habitat, perennial surface water resources, and open space values. Many ranches in the Valley, like the Maddalena, are privately owned and have been for generations. These jewels are the conservation puzzle pieces that will ensure this region remains as it is now, forever.

“For what this ranch is and where it sits, it is not supposed to be anything less but what it is right now, also we do not want to go the way of the Reno area,” said Tony Maddalena. “This valley is precious and it should always stay as the Sierra Valley is known, now a part of it will.”

The Maddalena Ranch

The Maddalena Ranch is a typical cow-calf operation in the mountain valley, running pairs during the growing season from May to November, weather permitting. Cows are moved south as the weather changes and calves go to market in August.

A typical cattle operation, but a less than typical scenario when it comes to the next generation. Tony and Cindy’s children plan to continue the ranch into the future. Annie

and her fiancé, will be moving back to the ranch after they wed this summer and her older brother, Sam, has visions of continuing the business as well. Nowadays, the aspirations of the younger generation often venture away from the home ranch or the ranching lifestyle, but the Maddalena kids want to continue the family tradition.

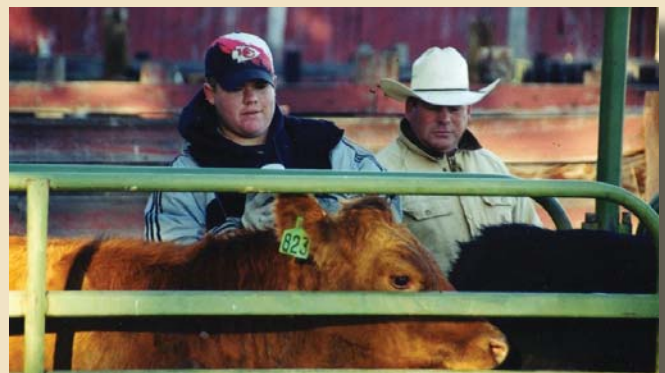
Tony and his wife Cindy, married for 35 years, took on the care and maintenance of the land and cattle from his father, Louie, in 1983 and have been there ever since. “We can’t imagine being anywhere else. This place is home,” said Cindy.

Securing the Future

“I would say the process began about 10 years ago,” said Tony. “We thought about it for about five years and it took nearly five years to make the dream come true.” The Maddalena’s had watched fellow ranchers and friends, like Jack Sparrowk, place easements on their land and because their children were “100 percent behind it”, they knew they were doing what was right for their family and the land.

The couple also found that working with their own team of advisors, from tax experts to attorneys, helped them make decisions today that will be applicable in the future. “We love that this easement with the Rangeland Trust is tailor-made, but you need good advisors surrounding you,” said Cindy. “The Rangeland Trust also helped in meeting the goals most important to us and our family.”

“We are proud to have worked with a family like the Maddalena’s whose goals for stewardship of the land and protecting family ranch operations align with our own,” said Darrel Sweet, Rangeland Trust board member. “The goals of our conservation partners and the Rangeland Trust’s support of ranchers in the Valley will serve to assist more landowners who want to protect the future of their ranches.”



Tony Maddalena with his son, Sam, vaccinating cattle on the ranch.

PHOTO: MADDALENA FAMILY



Policy Process - National Cattlemen's Beef Association's Annual Convention "Rocky Mountain Round-Up"

California Rangeland Trust representatives Darrell Wood and Nita Vail rallied for rangeland conservation during the National Cattlemen's Beef Association's (NCBA) annual meeting and tradeshow, "Rocky Mountain Round-Up" this February in Denver, Colorado.

The place to be if you are in the cattle industry, representatives attended policy meetings focusing on tax incentives and farm bill programs for rangeland conservation. Additionally, the Rangeland Trust was one of seven cattlemen's land trusts taking part in a Partnership of Rangeland Trusts (PORT) reception sponsored by Panorama Grass-Fed Meats. PORT also hosted a policy breakfast attended by NCBA representatives and supported by the Land Trust Alliance.



(Pic: L to R) Lynn Sherod, Land Trust Alliance, Nita Vail, California Rangeland Trust, Tom Vilsack, U.S. Secretary of Agriculture, Ken Salazar, U.S. Secretary of the Interior, and Kevin Kester, California Cattlemen's Association President are pictured at the AGO Meeting in Washington D.C.

Rangeland Trust Invited to White House Stakeholder Meeting on President Obama's America's Great Outdoors Initiative

On February 16, 2011, 125 guests were invited to the East Room of the White House to be part of the unveiling of President Obama's report on the America's Great Outdoors (AGO) Initiative. Nita Vail, chief executive officer of the California Rangeland Trust, and Kevin Kester, president of the California Cattlemen's Association, were in attendance to represent ranchers, two of five in the country invited. During his speech President Obama announced a broad initiative to support urban parks and conservation, much of which will be made possible by full funding of \$900 million for the Land and Water Conservation Fund.

Land trusts like the California Rangeland Trust would only be eligible to access these funds with the passage of new legislation that would allow third parties applying for the grants to hold the conservation easements. The Rangeland Trust is very active in the federal legislative process surrounding this important issue.

The President acknowledged that community and local efforts are key to growing the country's conservation efforts and that his administration is focused on finding what the federal government can do to facilitate private conservation efforts. Vail and Kester attended additional meetings on the Hill with Congressmen Cardoza, Costa, Denham and McCarthy to discuss estate taxes, farm bill programs and funding, and permanent tax incentives.



BOARD OF DIRECTORS

CHAIRMAN
Steve McDonald
Sanger

VICE CHAIRMAN
Scott Stone
Woodland

SECRETARY
Dan O'Connell
Colusa

TREASURER
Mike Bennett
Ducor

IMMEDIATE PAST CHAIRMAN
Devere Dressler
Gardnerville, NV

BOARD MEMBER EMERITUS
Steve Sinton
Shandon

BOARD MEMBERS
Woody Barnes
Julian

Jim Chance
Ballico

Julie Kirby
Los Olivos

Tim Koopmann
Sunol

Jack Rice
Woodland

Darrel Sweet
Livermore

Darrell Wood
Vina

Kendra Wilbur
Clements

K. Mark Nelson
Wilton

CRT STAFF

Chief Executive Officer
Nita Vail

Chief Operating Officer
Michael Delbar

Transaction Director
Marshall Cook

Stewardship Director
Andy Mills

Director of Communications
Erin Davis

Finance Manager
Jon Cartwright

Conservation Land Specialist
Meredith Kupferman

Bay Area Program Manager
Tina Batt

Conservation Associate
Nancy Loogman

Executive Assistant
Leigh Geren

CRT NEWSLETTER CONTRIBUTORS

ERIN DAVIS, EDITOR/DESIGN
JENNIFER LOOFBOURROW, DESIGN
MICHAEL DELBAR
LEIGH GEREN
LORI HAWK, MURPHY AUSTIN ADAMS
SCHOENFELD LLP
WARREN SINSHEIMER
STEVE SINTON
NITA VAIL

Members and Donors:
November 2010 - February 2011

Individuals and
Organizations

Leo and Carolyn Acquistapace
Ray and Jeff Alger
David and Lynn Anderson
Meg Andrews
Woody and Jane Barnes
Mike Beam
Jon Bechtel
Beltane Ranch
Peter Bennett
Buz Bonsall
Jim and Judy Chance
Jeff and Ginger Chance
Kelly Cash and Graham Chisolm
James Clark
Mark Connolly
Darell Corti
Graham and Gloria Cottrell
Rick and Kerry DeBenedetti
Michael and Katie Delbar
Jerry and Susan Diefenderfer
Devere Dressler
Ogden Driskill
Glenn and Margaret Drown
Stuart Epstein
Justin and Arleah Fields
Joy Fitzhugh
Jack and Janie Flammer
Daniel and Donna Forster
David and Patria Forster
Judith Friend
John and MaryAnn Frye
Allen Gaines
Tom Galli
Anthony and Laurel Gilbert
Veronique Gillard and Wolf
Weber
Erik and Sandy Gregersen
August Harden
Coburn Haskell
R. Jeffrey and Debby Herten
Robert Hesseltine
Diane Holcomb
Lance and Kerri Hopkins
Preston and Maurine Hotchkis
Clifford and Sherry Howe
Masami Ishida
Karen and Jim Jelks
Si and Karen Jenkins
Bert and Gretchen Johnson
Gary and Wanda Johnson
Steven and Julie Kirby
Tim and Melinda Koopmann
Larry and Nancy Kueter
Meredith and Steve Kupferman
Arthur Lacerte
Bob and Norma Lagomarsino
Joy Law
Bob and Susie Lilley
Tony and Cindy Maddalena

Marin Agricultural Land Trust
Kent and Lori Marshall
Donald and Loretta Martin
Steve and Michelle McDonald
Billy and Aileen McDonald
Tom McFerson
Jim Merrill
Geof and Cathy Miller
Warren and Marlene Miller
Andy and Candy Mills
Anita Moran Slicton and
Mary Ann Moran
Sandra Naftzger
Mark and Abbie Nelson
Robert and Jill Nuccio
Dan and Barbara O'Connell
Kevin O'Day
Doug and Diane Off
Brian and Debbie O'Hearn
Kevin and Donica O'Laughlin
Jim Orradre
Roy and Roberta Parsons
Alfred and Clara Patane
Jon and Lindy Pedotti
BJ Petersen
Steve and Liz Peterson
Edwin Phillips
Linda Prentiss
Walter Reinhardt
Fred Reyes
Jack and Anne Rice
Kathleen Robidart
Richard and Evelyne Rominger
Orrin and Cindy Sage
Manfred and Jean Sander
Santa Cruz Island Foundation
Scott and Jodie Scheller
Jessica Schley
Randy and Shirley Schnabel
Cynthia Schwabacher-Jamplis
Kemper and JoAnn Shaw
Jim and Norma Sinton
Claudia Smith Hill
Jack and Bev Sparrow
John Stechman
Ted Steiger
Scott and Karen Stone
Owen Strange
Darrel and Karen Sweet
Richard and Katherine
Thornburgh
Edward Torres
Stephen Townley
James and Pam Townsend
Nita Vail
Jack and Zera Varian
Lindsay Weston
Darrell and Callie Wood
Dennis and JoEllen Wood

Donald Wood
Margie Woolley
Reina Zuliani

Foundations

Elizabeth Bixby Janeway
Foundation
Resources Legacy Fund
Smart Family Foundation Inc.

In Memoriam

Mike and Martia Bennett in
Memory of
Barbara N. McIntosh
Mike and Martia Bennett in
Memory of Bruce Orvis
Jim and Tracy Hill in Memory of
Tom Asmus
Daniel and Susan Macaulay in
Memory of Roger Lyon
Mrs. James Miles in Memory of
James Albert Miles
Sam and Pamela Payen in
Memory of
Dr. Louie J. Payen D.V.M

Honorarium

Jon Cartwright in Honor of
Steve McDonald
Elizabeth Hvolboll in Honor of
Nita Vail
Gail Schoettler in Honor of
Jim and Norma Sinton
Steve and Jane Sinton in Honor
of Katherine Schoettler

We have made every effort to
be accurate with this listing. If
there are errors or omissions,
please accept our sincere apolo-
gies and contact Michael Delbar
at 916-444-2096 so that we may
correct our records.

CONNECT WITH US

You can always find us online at
www.rangelandtrust.org



Follow Us and Then Follow-up
Check us OUT! – Facebook and now TWITTER

It's a sign of the times, California Rangeland Trust is coming direct to you on Facebook and now Twitter.

Keep abreast of news and now meetings and events that your Rangeland Trust staff is attending as we fight for California's rangeland and we post up to the minute happenings on Twitter.

We want to hear from you – send us a message on Facebook and let us know how we are doing or share your conservation questions with us!