



# Willowsford<sup>®</sup>

CONSERVANCY



## Board of Trustees Meeting

March 8, 2022



## Agenda

- Farm update
- Land Stewardship update
- Marketing update
- Financial update
- Executive Session

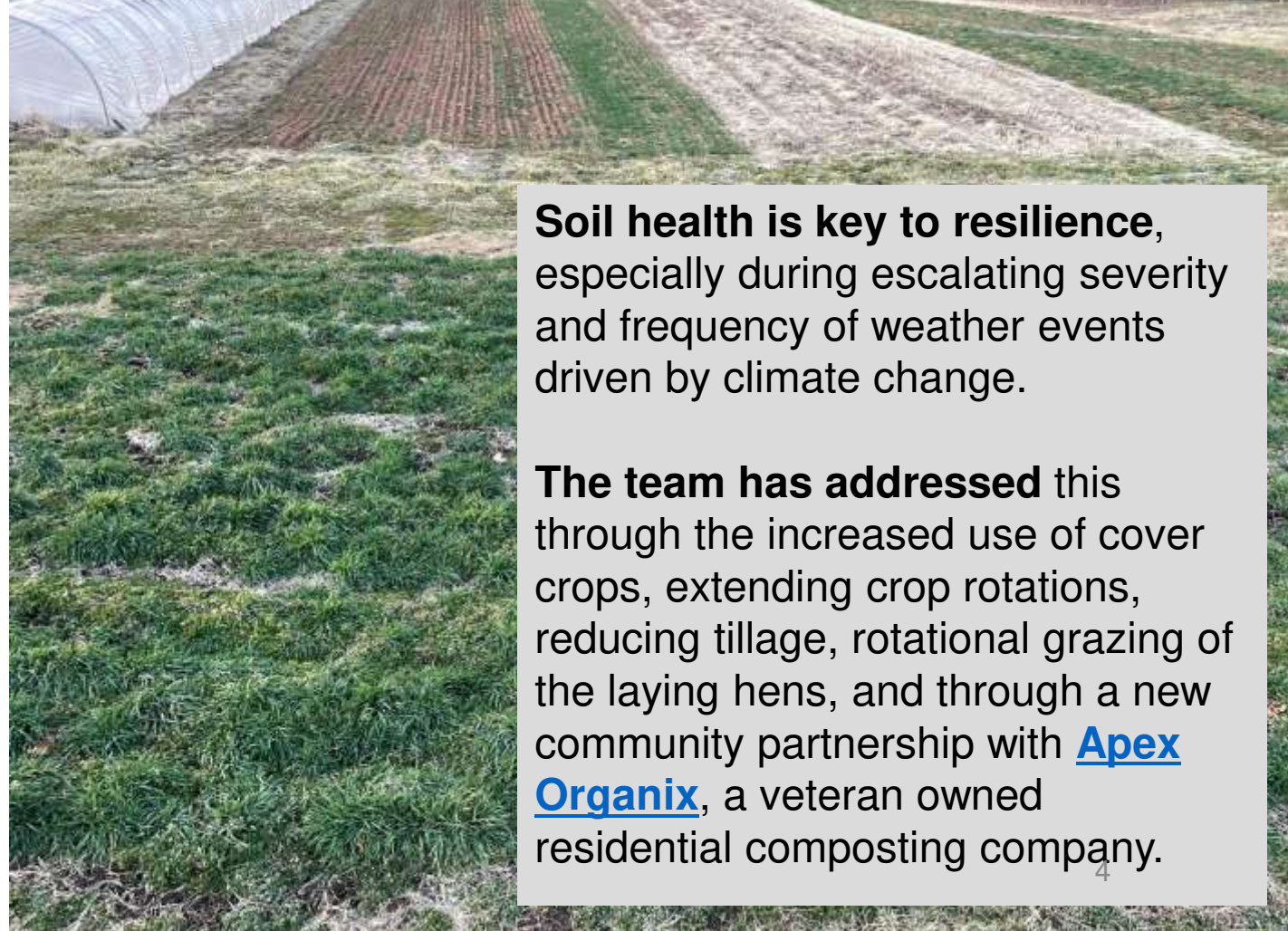
# Moving Forward

In July 2021 the new Farm team outlined three goals based on preliminary findings and feedback: We need to **build soil health, improve operational efficiencies, and increase community engagement opportunities** – all three goals are aimed at providing our Farm and community with greater resiliency.

And with **more than 50 years of growing experience**, the team is excited about the roadmap ahead.



# Build Soil Health




**Soil health is key to resilience,** especially during escalating severity and frequency of weather events driven by climate change.

**The team has addressed** this through the increased use of cover crops, extending crop rotations, reducing tillage, rotational grazing of the laying hens, and through a new community partnership with [Apex Organix](#), a veteran owned residential composting company.



# Build Soil Health



**Moving forward we will measure our success through soil tests that measure our soil organic matter:** reducing input expense while increasing crop performance.

# Improve Operational Efficiencies

**Financial sustainability** is key to resilience and fine-tuning operational efficiencies will provide the Farm with resources to focus on the preceding goals.

**We have addressed** this over the past 10 months by reducing seed expense by conducting a seed inventory analysis, leveraged our drip irrigation system to reduce risk, labor management hours and reduce water resource needs, **re-oriented field layouts to reduce labor hours**, and by prioritizing repair of the road between the primary Farm fields: reducing potential maintenance/expense caused by wear and tear on equipment.




# Improve Operational Efficiencies



**Reduced winter CSA share labor hours through cutting deliveries in half, while outperforming sales figures from the year prior – this time savings allowed the team to address deferred maintenance concerns while **increasing the useful life of assets****



# Improve Operational Efficiencies



**Reduce risk and improve efficiencies** by repairing existing irrigation lines and leveraging our existing drip irrigation equipment – reducing both labor hours and water resource needs.

**We have:** Identified and communicated high risk deferred maintenance projects to board and staff – **prioritizing projects based on risk and liability**, i.e. improved food safety training for staff.

**Moving forward: By 2<sup>nd</sup> quarter** We will create a spreadsheet that will identify each deferred maintenance item by risk category (low, med, high), anticipated cost of repair, recommendation and status of completion.





# Improve Operational Efficiencies



In process of selling assets that do not fit current/future needs – Sold \$27K to date, anticipate selling \$70-100K by year end – funds received will payoff truck loan (anticipate selling Chevy for \$52-58K and **to purchase scale appropriate/labor-saving equipment**: onion cleaner, stainless steel dunk tank, harvest containers, CSA boxes, rototiller and delivery vehicle. **Deferred capital cooler project (budgeted \$136,500)** until fall/winter '22/'23. In addition to efficiency gains, we will increase our ability to **retain our number one asset on the Farm, our human capital.**

# Improve Operational Efficiencies



**Moving forward** we will reorganize the packing shed and cooler layout to reduce labor hours, shift delivery schedule to weekdays vs. weekends – the labor savings/shift in operations will allow us to leverage our team for engagement opportunities. **We will measure efficiencies through quarterly financial statement analysis + YOY engagement data.**





# Community Engagement

**Connection is key to resilience**, especially during times of uncertainty and the growing need for a greater understanding of the natural world.

**We have addressed** this by increasing the number of engagement opportunities: **children's after-school program**, tours and socials, anniversary event, and **Meet the Farmer events**.

**Moving forward** we will increase opportunities to spend time with our community and **measure our success by tracking the number of hours our team is able to sustainably engage**.





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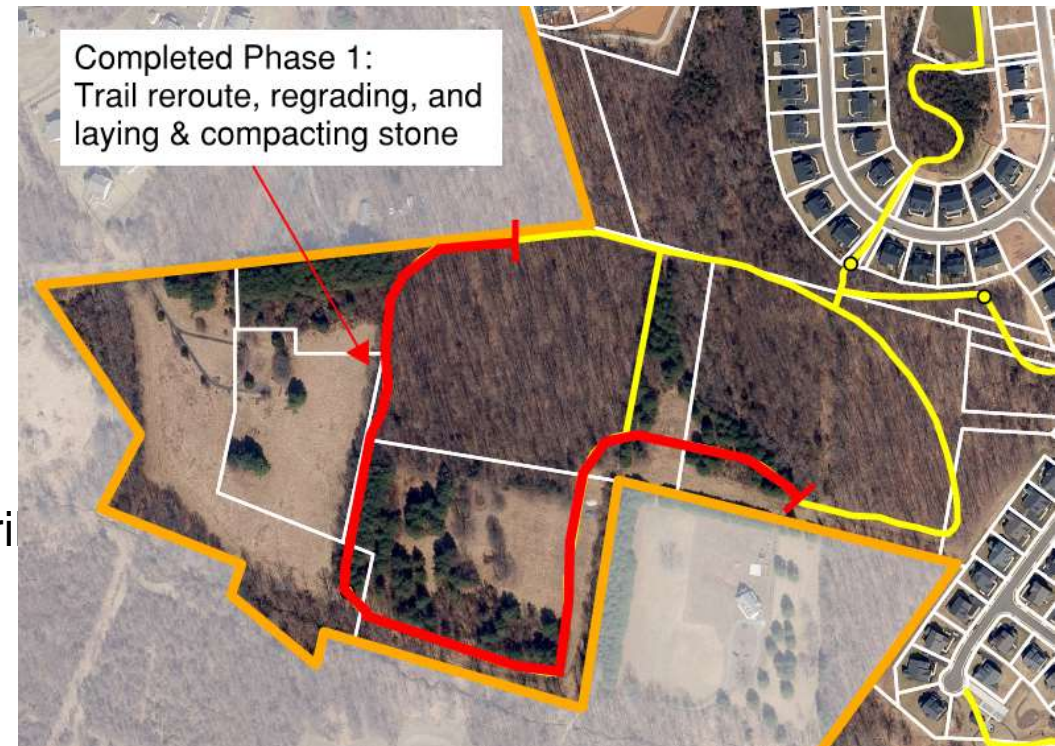
# Trail Maintenance

## Trail Maintenance

- Pinewoods Loop
  - Completion of most work intensive portion of the trail. This leg will be topped off with compacted stone dust.
- Trail Survey
  - Trail infrastructure inspection complete and prioritized maintenance schedule written for 2022 trail work.

## Volunteer Trail Days

- Mountain Bike Club
  - Organization of two trail work-days in March (19<sup>th</sup>) and April to incorporate appropriate mountain biking features and improve trail conditions.
  - Includes trail maintenance training so club members can continue to go out and do independent volunteer work on the trail systems.





# Pond Repairs

## **History of the Issue**

- The issue was initially investigated during the reserve study while property evaluations were taking place.
  - Dams were not taken into review until 2021 when pond management plan was being first written.
  - The reserve study did not include the dams visited in their analysis and upon receipt of the finalized study, the issue was taken under review again.
- In February, the condition of the Allen Farm Pond and Cedar Pond dams taken under review by R. Drew Thomas, C.P.G. of ECS who provided a letter of recommendations for the ponds
- All woody vegetation was established prior to the Conservancy receiving the ponds.

# Pond Repairs

## Allen Farm Pond

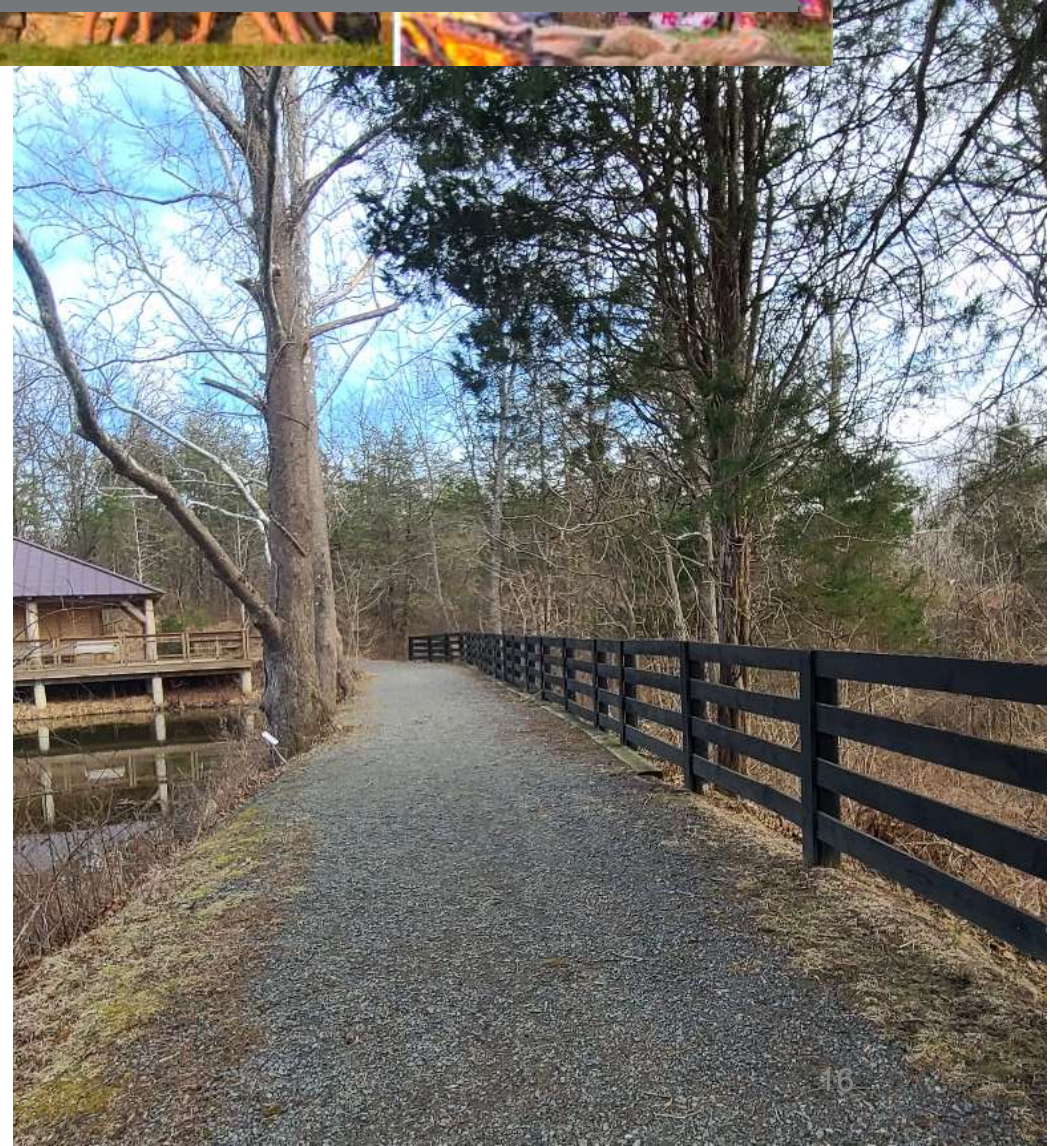
- Built before 1952 by the farmer for watering livestock.
- Current conditions: large woody vegetation established on the dam, signs of seepage at the toe, outflow pipe not visible. Overall poor condition.



# Pond Repairs

## Cedar Pond

- Built between 1952 - 1957 by the farmer for watering livestock.
- Current conditions: large woody vegetation established across the entirety of the dam; no signs of seepage and in good condition; pavilion built on old spillway. Minor signs of erosion.





# Current projects: Pond Repairs

## Twin Ponds

- Built before 2002; unknown by whom, appears to have been for recreation
- Current conditions: large woody vegetation established on the dam; no signs of seepage; spillways and drainage in good condition.





# Pond Repairs

## Beaver Dam Pond

- Built before 2002 as a livestock pond; Willowsford Developer constructed a new dam in 2015 that raised water level; beavers moved in and built a dam in 2017 on top of existing dam.
- Current Conditions: man made portion of the dam in relatively good condition; beaver portion of the dam is unmaintained and washing away.





# Pond Repairs

## **Recommendations**

- All woody vegetation needs to be removed from both sides of the dams and within 25ft of embankment toes.
  - Root balls need to be grubbed, removing all roots great than 1 inch in diameter.
  - Will require dropping the water level of the ponds.
- Embankments then need to be backfilled and graded for stable slopes after woody vegetation is removed.
  - Have a civil engineer on site to ensure adequate outlets for drainage and appropriate grading.

## **Next Steps**

- Having geotechnical consultation performed and an engineer evaluate all necessary work.
  - Pricing out recommendations and establishing a timeline for the work.
- Determine the long-term vision for the ponds and which ones we would like to maintain as such.



# Beaver Removal

## Beavers at Twin Ponds

- Beavers established a lodge on the lower portion of the pond owned by the Conservancy. After blocking the trash trap and slowing water flow, the pond has experienced flooding.
  - **Contracted the beaver removal for \$2,300 with Jesse James Critter Gitters.**
    - Trap checked daily: removal in two weeks optimistically
  - Removal of debris from the trash trap to allow regular drainage will cost somewhere from \$2,000 - \$5,000
    - Trash trap to be cleared after beavers successfully removed.





# Tenant House Repairs & Renovations

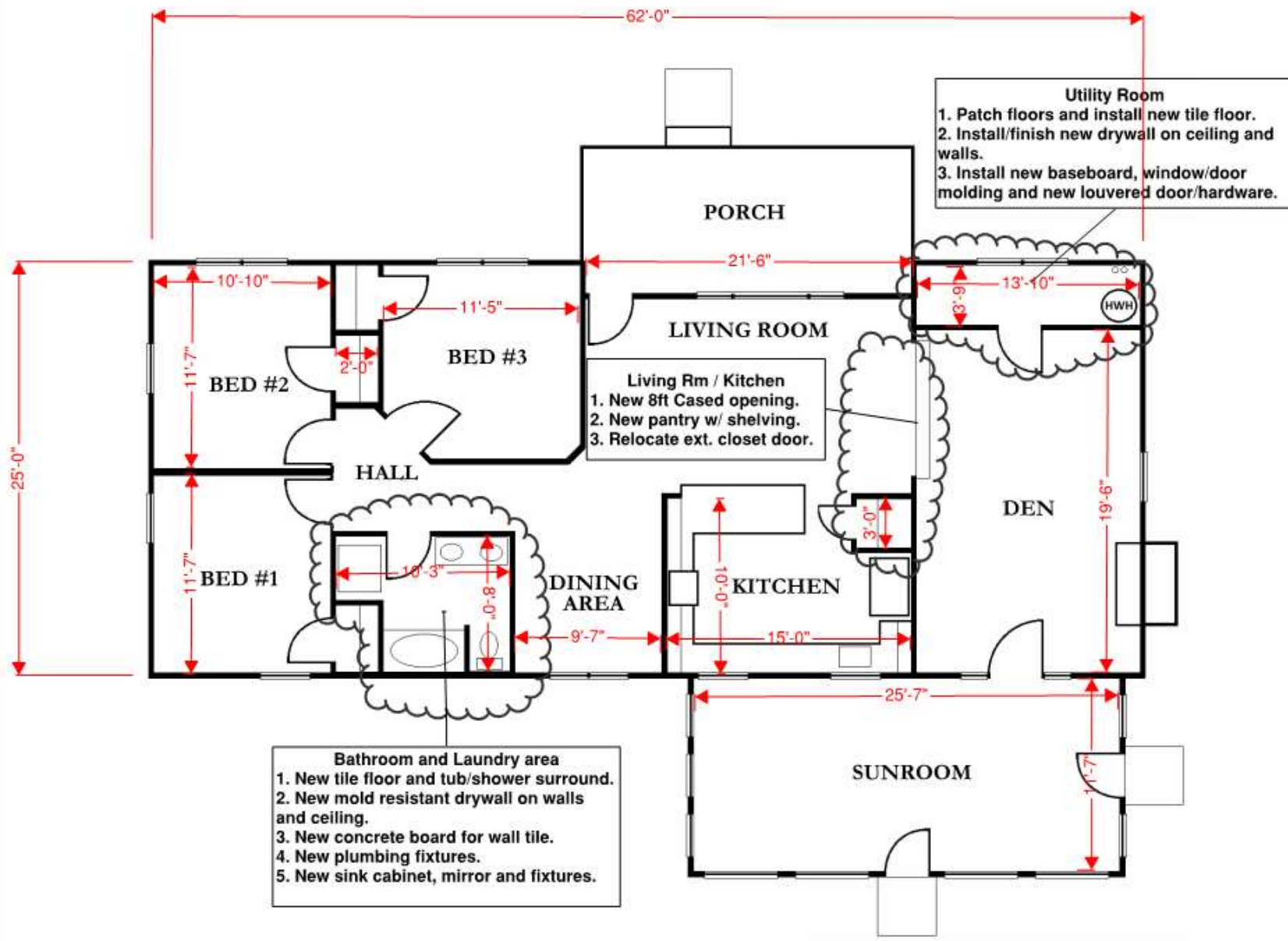
## **Lightridge**

- Had a shortlist of renovations done in 2018.
  - New roof constructed
  - New siding
  - New windows
  - Kitchen renovations
  - Wildlife removal
  - Attic Insulation
- Had a new septic system installed in 2021.
- This house was marked by Ann as a priority to renovate before the next tenant moves in.

## **Peach Orchard**

- Received renovations in 2015
  - New roof constructed
  - New windows
  - Renovated kitchen and bathroom
  - Painted and some floors finished
  - Exterior regrading and drainage installed to deter flooding
- Received additional updates in 2021
  - Septic system installed
  - New oil tank/updated lines
  - Water filtration system installed

# Lightridge Tenant House



Willowsford Conservancy  
 Tenant House  
 25213 Lightridge Farm Rd

**Willowsford  
 Conservancy, Inc.**  
 41025 Willowsford Lane  
 Aldie, VA 20105

DESIGN REVISION:  
 Preliminary Design (1-20-22) AR

PROJECT ADDRESS:  
 25213 LIGHTRIDGE FARM RD,  
 ALDIE, VA 20105

**.PRELIMINARY.**

SHEET NO.:

**A 0.1**

**A** FLOOR PLAN  
 SCALE: N.T.S.

# Lightridge Tenant House

Trades	Preliminary (GC)	Willowsford as GC
Permitting	\$500	\$500
Foundation	\$15,800	\$13,279
Walkway	\$1,000	\$1,000
Temp. Protection	\$1,975	\$1,475
Ext. Finishes	\$3,492	\$1,220
Demolition	\$1,700	\$1,500
Int. Framing	\$1,000	\$1,000
Int. Windows/Doors	\$1,120	\$1,160
Int. Finishes	\$23,924	\$12,805
Plumbing	\$8,000	\$8,000
Electrical	\$17,200	\$16,000
HVAC	\$23,323	\$23,323
General Contractor	\$28,000	\$0
<b>Total</b>	<b>\$122,717.65</b>	<b>\$81,262</b>

# Peach Orchard Tenant House

## Phase I

Trades	Preliminary	Contracted	
Permitting	\$500		
Foundation		\$11,250	
Electrical (sump pump)	\$500		
Ext. Grading		\$3,500	
Outbuilding Demo	Pricing ceased		
Fencing	\$300		
		<b>Total</b>	<b>\$16,050</b>

## Phase II

- Leveling Floors
  - Everything may crack
  - Joists likely already cracked
- Updating electrical
- Updating plumbing
- Refinishing floors
- Plaster & paint walls
- Updating light fixtures
- Installing new doors

Whether / how much to improve Peach Orchard House vs. alternatives (e.g., demolition, replacement) is a strategic planning question



# Future projects: Tree Plantings

## Arbor Day Reforestation Project

- Through receipt of grant funding worth \$4,300, a tree planting will be conducted behind Paddock Gate PI with volunteers.
  - Between the potential NOVEC planting & homes along Paddock Gate PI
  - 200 native trees to be planted with volunteers.

## NOVEC Substation & Reforestation

- NOVEC application for land development has been accepted for processing as of January 11<sup>th</sup>
- Planting originally not planned until after the approval of the Northstar Substation Commission Permit
  - Currently reviewing the possibility of arranging the planting prior to permit approval.



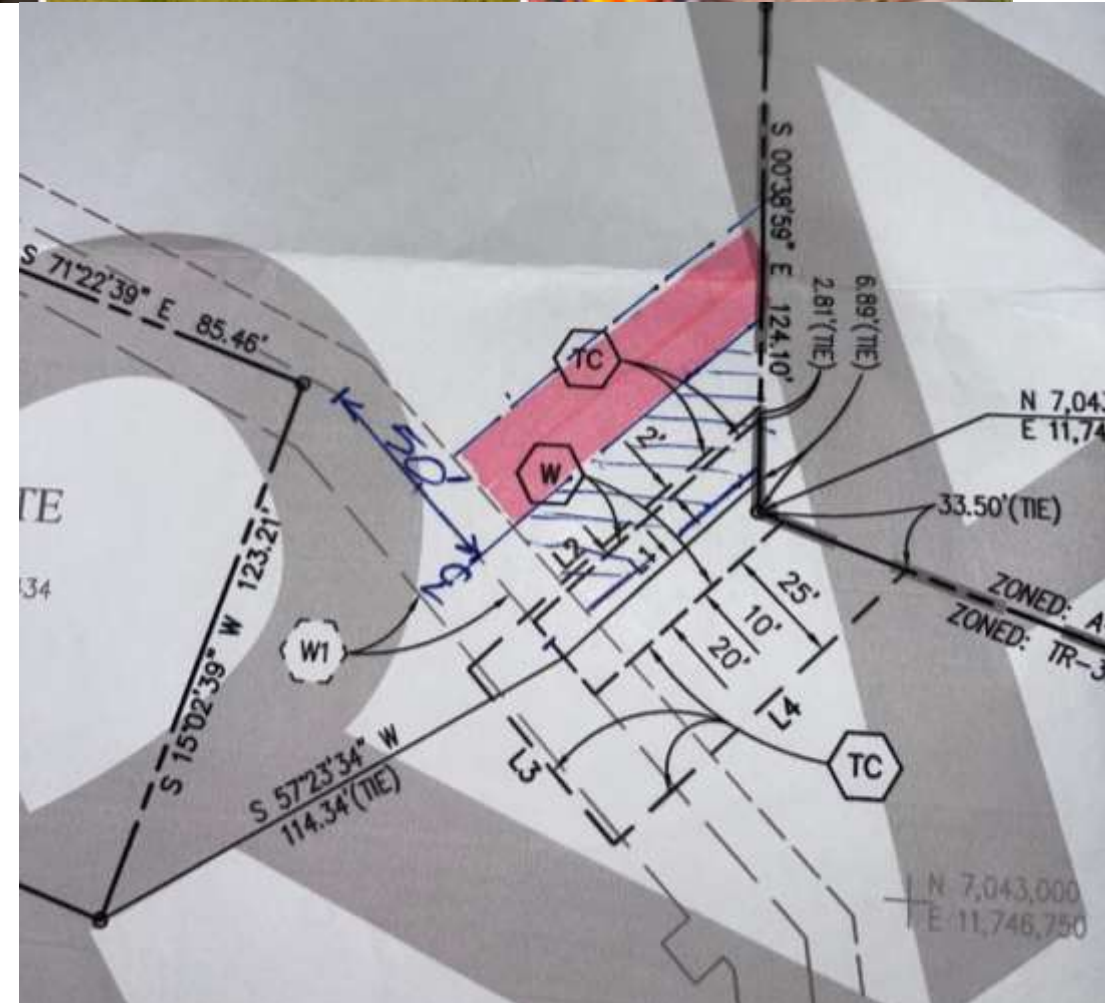
# Future projects

## Loudoun County Public School Easement

- A water easement request for a Middle School to be developed adjacent to the Grant summer of 2022.
- We are requesting a shift of the easement to spare tree canopy as well as compensation of \$4,600 for lost tree cover.

## Deer Management Program Updates

- Firearms hunts will be scheduled so that two of the weeks will run from noon on Monday to noon on Friday to limit trail closures occurring over the weekend.
  - Will give residents the entire weekend to enjoy the trails and reduce the number of weekends staff has to come in and work.
- A Youth Hunt Week will take place during an existing week of firearms hunting to cultivate an interest in hunting within the next generation. The Youth Hunt Week will be in accordance with all DWR regulations.



# Moving Forward

## Projects in the Near Term:

March	<ul style="list-style-type: none"><li>- Two Meadow Restoration Projects</li><li>- Wet Meadow Maintenance</li><li>- Hosting Two Programs</li><li>- One Volunteer Day</li></ul>	<ul style="list-style-type: none"><li>- Spring bush hogging in all four villages</li><li>- Native Garden and Farm Stand Maintenance Begins</li><li>- Autumn Olive Removal</li></ul>
April	<ul style="list-style-type: none"><li>- Riparian Buffer Maintenance</li><li>- Two Volunteer Days</li><li>- First Round of Pond Treatment</li></ul>	<ul style="list-style-type: none"><li>- Arbor Day Tree Planting</li><li>- Amenities Open</li><li>- Hosting Two Programs</li></ul>
May	<ul style="list-style-type: none"><li>- NOVEC Tree Planting (tentative)</li><li>- Two Volunteer Days</li><li>- Hiking Spree Program</li></ul>	<ul style="list-style-type: none"><li>- Trail Mowing Begins</li><li>- Dogbane and Carpet Grass removal</li></ul>



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# New Team + Moving Forward

In late-November of 2021 the Conservancy's Board of Trustees made the strategic decision to add two team members – their day-to-day consists of **communications, backend logistics, marketing and strategic engagement** – with an overarching goal of **showing the community how talented the Land Stewardship and Farm Teams are.** In the coming months, the team will create spaces, events, and programs that are genuine, inclusive and in line with the forward-thinking Conservancy mission.

This new team has **more than 25 years of wide-ranging business experience**



# Communications



**Our preliminary findings** tell us the community values responsive, honest, clear and genuine communications.

**We have:** improved our response time to Conservancy info/farm inboxes and phone messages – and made time to **listen to community feedback.**

**Moving forward** we will continue to develop our messaging through additional listening sessions and by **analyzing the strategic survey data with the Board of Trustees** to ensure we continue to adapt messaging to best meet the needs of the community.

# Back End Logistics

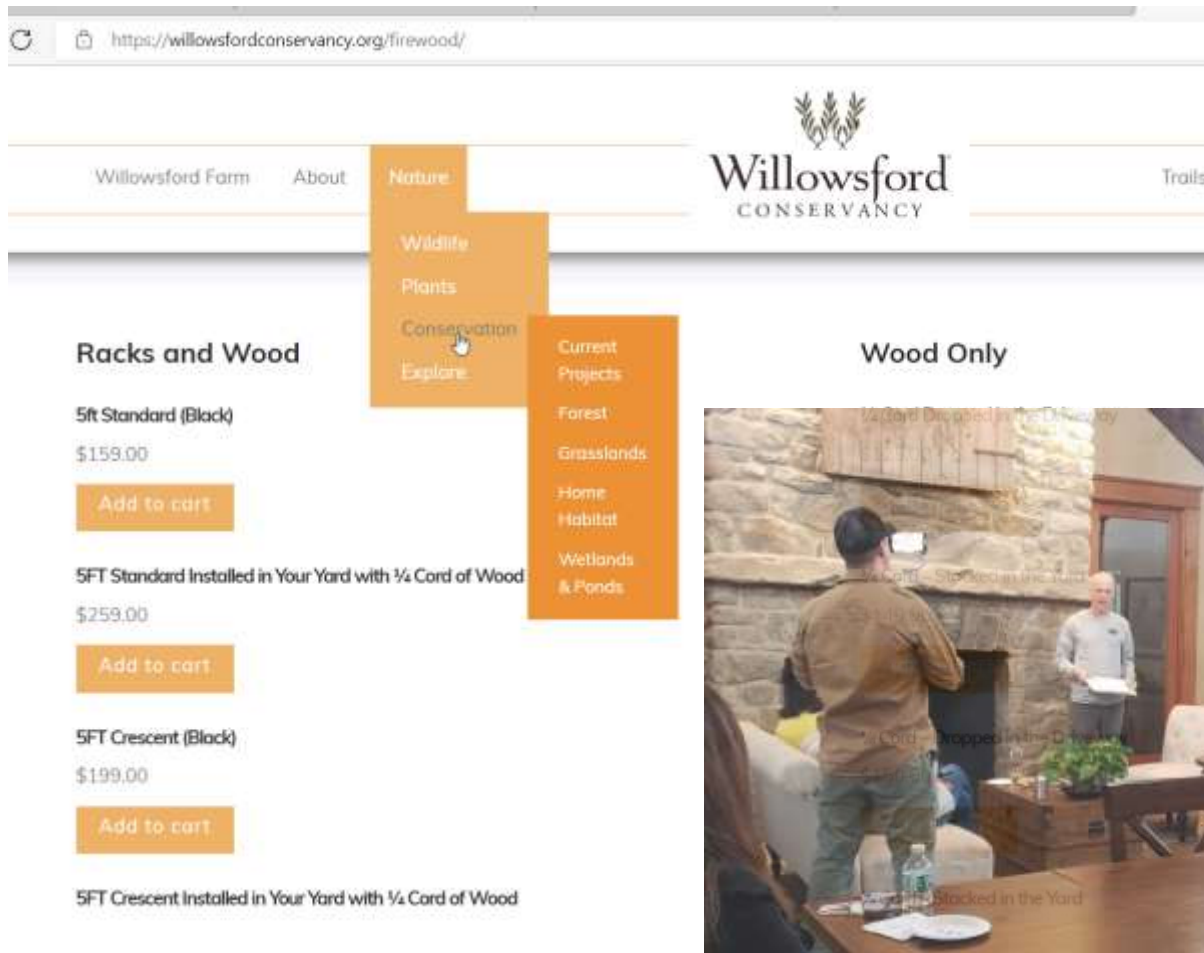
**Our preliminary findings** told us that we need to find ways to reduce expense, review liability exposure for increased event/program schedule, and modify website/sales platform to better meet the needs of the community.

**We have:** changed Farm sales platforms to assist with reaching financial targets, contracted a new designer and created over-arching outline for website re-fresh, worked with legal, insurance and internal teams to identify/minimize risk exposure for programming/events/operations, and connected with historical members of the community to better understand processes of Conservancy past.

**Moving forward** – 2nd quarter we will launch a refreshed Conservancy website and email newsletter format and create processes for the new Farm sales platform.



# Back End Logistics



**We are: reshaping website design to create a better user experience for the Willowsford Resident and public.** Working with website developer and leveraging the talent in our backyard. **Budget included funds to facilitate the update.** This change will also improve operational efficiencies through integrating plugins that better meet our teams needs while also **streamlining process** – rentals, work orders, sales, program calendar, volunteer organization



# Marketing



## Join the Farm-ily

Willowsford is one of the leading agrihoods in the country. Our Farm is the product of a decade of commitment, passion and innovative design that integrates farming and nature into how we live. Support the efforts in your backyard by joining the Farm-ily CSA!

[www.WillowsfordConservancy.org](http://www.WillowsfordConservancy.org)

**Our preliminary findings:** we need to regain control of our brand on the Farm side, increase leverage HOA/partnerships, and create a website that makes the buying experience easier and more engaging

**We have:** Switched Farm sales platforms from Harvie to Barn2Door, created postcard, engaged a designer to create Conservancy merch

**Moving forward** we will continue to develop relationships, partner with Hartland to host Meet the Farmer event to increase sales, increase social media use, and finish creating new website content that reflects our communities' accomplishments – **anticipated new website launch date is early April 2022**

# Marketing

	Income/Category	Value/Delivery		Income/Category	Value/Delivery
2020 Winter Veggies	\$30,040.00	\$3,004.00	2021 Winter Veggies	\$27,760.00	\$5,552.00
2020 Winter Eggs	\$5,976.00	\$597.60	2021 Winter Eggs	\$5,088.00	\$1,017.60
2020 Winter Custom Meat Share	\$14,750.00	\$1,475.00	2021 Winter Custom Meat Share	\$18,500.00	\$3,700.00
	<b>\$50,766.00</b>			<b>\$51,348.00</b>	



**We:** reduced Winter Farm CSA labor hours while exceeding PY revenue, allowing the team to focus on deferred maintenance.

**We will ask for grace from our community – PY CSA sales started December 3. Due to software transition, we launched January 28.**

**Moving forward we will** provide adjusted sales forecast to reflect deferral of cooler capital project and measure our success at the end of June by comparing PY sales, the volume of occasional shoppers and Farm Stand reception/sales.

# Strategic Engagement

**Our preliminary findings** are that the community is eager to engage through volunteerism, events and programs – and that they'd like to see more of their dollars used for these efforts.

**We have:** Added volunteer opportunities and reached out to every member of the community that has registered through our website to volunteer. Hosted conversational style events that created opportunities for the team to listen to feedback, increased income and registration numbers YOY, added several programs, actively formed partnerships with core volunteer members, leveraged our talented community members to lead programs, and are working with the HOA on a partner event for Earth Day.

**Moving forward** we will continue to do all of the above while increasing offerings based on feedback and the results of the strategic plan. Create processes, procedures and regular touch points to develop additional ways for the community to engage, while leveraging their support to reduce expense and increase a sense of belonging. **We will measure our success** by providing evidence based on YOY comparisons.



# Strategic Engagement



	<i>Program Income</i>	<i>Number of Registrants</i>
<i>*Jan- Oct 2020</i>	\$ 4,507.00	179
<i>Jan- Oct 2021</i>	\$ 19,718.00	873

\*PY comparison is skewed due to global pandemic, will continue to measure results based on income and number of registrants

Look for volunteer and program engagement opportunities in newsletters and on our website. Not registered to volunteer? Join the Land Stewardship efforts, [here](#) – and the Farm efforts, [here](#).



**CURRENT  
PROGRAM  
OPPORTUNITIES<sup>6</sup>**



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# Audit: on track

- 2021 audit via Mitchell & Co. (performed 2019-2020 audit, also complete 990s)
- Tracking to mid-March delivery
  - Working through three open items (net asset restrictions, functional expense allocations, Schedule O)
  - Auditors write footnotes, no MD&A
- Thank you Jamie McArdle – back PT to help with audit, knowledge transfer



# 2021 YE Financials – Update

- 2021 net revenue per books of \$241,493.96, less \$150,000.00 transfer to reserves (will go onto books as part of audit) produces \$91,423.96 carry-over versus November 2021 forecast of \$100,000
  - Treat as ~\$9,000 of missing revenue



# January 2022 Financials

- *2022 budget and budget-to-actual reporting uses significant number of expenses forecast ratably over year – variances should be considered accordingly*
- Jan 2022 highlights:
  - Transfer fee income from resales \$11,112.50 below budget (unfavorable variance), drove most of variance in total revenue
  - COGS is far below budget (favorable variance)
  - Tree work 2.2x over budget (unfavorable variance) – observing as neighborhood matures
  - Payroll and benefits \$22,914.04 under budget (favorable variance) due to unfilled billets
  - Note: endowment is marked-to-market each period; movements are unrealized
- Jan net revenue, net of endowment mark: (\$3,996.15)





# Feb 2022 Financials

- *2022 budget and budget-to-actual reporting uses significant number of expenses forecast ratably over year – variances should be considered accordingly*
- Feb 2022 highlights:
  - No transfer fee income – \$22,625 unfavorable variance – need to watch closely
  - \$10,790 in grant income from Loudoun Soil & Water
  - COGS is far below budget (favorable variance)
  - Payroll and benefits ~\$20,000 under budget (favorable variance) due to unfilled billets
  - Note: endowment is marked-to-market each period; movements are unrealized
  - Capital expenditures reflect budgeted new truck purchase, equipment sales also one-time
- Feb net revenue, net of endowment mark: (\$196.50)

# 2022 Potential Budget Impacts

Item	Timing	Est. Impact
Farm truck purchase	Complete	\$37,000
ED settlement	Complete	Confidential
Dam work	TBD urgency	~\$80,000 per dam?
Lightridge house	More urgent	\$81,000 - \$123,000
Peach Orchard house	TBD urgency	\$16,050 + ???
Interim ED	April - December	~50% of budgeted comp, no benefits
New farm equipment purchases	TBD	TBD

# 2022 Potential Budget Mitigants

Item	Timing	Est. Impact
Farm truck sale	Ongoing	~\$27,000 cash after repayment (~\$19,000 for 2 years)
Interim ED	Apr – Dec	50% of comp + no benefits = ED FY cost flat
Delay cooler project	Later in 2022 or 2023	\$136,000, but just timing; strategic plan may = bigger rethink, may augment w/ staff in 2022



# 2022 Accounting Projects

- Rationalizing chart of accounts
- Department budgets and P&Ls
- Process documentation (e.g., payroll) and policy (e.g., working capital)
- Allowing Jamie to retire (finally!)



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