

KLT STEWARDSHIP FUND POLICY

The Stewardship Fund is an essential component of every conservation easement enabling the Kansas Land Trust (KLT) to carry out its obligations to communicate with all future landowners about the purpose and terms of the easement and as necessary enforce compliance. This stewardship fund provides the resources to monitor the property on an annual basis; protect the conservation easement from encroachment and misuse; educate new owners about the purpose and terms of the easement; work with landowners when reserved rights are exercised; enforce the terms of the easement; and meet oversight requirements of public or private entities.

Because every easement applies to a particular parcel and reflects the wishes of the donor landowner, each is unique and includes its own provisions. The intention of this policy is to ensure fair and equitable long-term stewardship of each easement based on the complexity of the stewardship of the easement.

Amount: The base contribution to the Stewardship Fund is \$10,000. Any additional contribution is then cumulatively adjusted for reserved rights and funding sources. The factors that influence the amount of the necessary stewardship donation are as follows:

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| • Basic monitoring and enforcement for every easement | \$10,000 |
| • Purchased easement using funds from one source | 5,000 |
| • Purchased easement using funds from a second source | 5,000 |
| • Reserved rights (changes to the land that can be made in the future and are specified in easement document) | |
| a. subdivision (per each subdivision) | 25,000 |
| b. multiple parcels (per each physically separated parcel) | 5,000 |
| c. construct a home where none existed | 5,000 |
| d. build a new pond, well, or farm building | 1,000 |
| e. any right that requires a conservation plan | 1,000 |
| f. any right that requires assessment by professional expert | 1,000 |

Alternatively depending upon the particularities of an easement, stewardship obligations, and funding, KLT may choose to calculate the Stewardship Fund contribution using a stewardship calculator developed by land trusts which assesses detailed projected stewardship costs based upon monitoring and enforcement time, travel, communications, ownership changes, permitted rights and approvals, amendment expenses, violation risks, legal expenses, rate of return with stewardship fund investments, indirect costs, and related costs.

Delayed Closing: If a donor agrees to a conservation easement with the intention to close along with a Stewardship Fund contribution at a future time, this contribution will be calculated upon KLT's stewardship policy at the time of agreement to the easement terms. This stewardship calculation will then be adjusted for inflation according to the time lapse between agreement and closing.

Fundraising Assistance: With each new easement, KLT requests a contribution to the Stewardship Fund according to the above guidelines. Dependent upon the circumstances, KLT may assist with fundraising with those individuals who are unable to contribute the full Stewardship Fund amount.

Fund Management: Donations to the Stewardship Fund are pooled to support stewardship services for all the conservation easements held by the Kansas Land Trust. These Stewardship Funds are managed in temporarily restricted accounts for only stewardship purposes. Withdrawals from the Stewardship Fund may be made to support expenses of land stewardship and administration, including monitoring, preparation and follow up work for monitoring visits, communication and documentation, equipment needed for the stewardship program, personnel costs and overhead, technical assistance from expert consultants, legal fees, and travel expenses. The KLT Board retains authority to make withdrawals from the Stewardship Fund.

Exceptions: The KLT Board reserves the discretionary authority to make exceptions to this policy due to special circumstances, easement complexities, and variables impacting calculated stewardship costs.

Ongoing Evaluation: KLT will evaluate the policy performance of the Stewardship Funds at least once every five years to determine whether the total amount is adequate based on KLT's updated stewardship cost calculations.

Proposed effective date for this policy is August 24, 2021, based on the date of application from the landowner.

Approved by the Kansas Land Trust Board of Directors, August 24, 2021.



Judy Burch, Secretary