







RUBY HABITAT foundation

ANNUAL REPORT 2006

THE RUBY HABITAT FOUNDATION

t the Ruby Habitat Foundation, we use the word *habitat* in its broadest sense to mean the living environment that sustains the people, livestock, fish, wildlife, and plants. The focus of the Foundation includes the Ruby River Watershed ecosystem and, with some adjustments, all of Southwest Montana. It is our contention that no single land holding is large enough to be an ecosystem of itself. On the other hand, every yard, regardless of its size, has some impact on its neighbors. Therefore, we believe that we are all in this together, and the sum total of our management decisions make our environment what it is and what it will become for our children.

The idea is to gather together a body of practical how to knowledge upon which we can draw to enable us to create best practices that contribute positively to the health of the habitat. Too achieve this we are currently conducting a number of applied research projects in both vegetative and management domains, summaries of which appear below.

We ask ourselves:

Will our grandchildren learn about the birds and bees from the internet or will they be able to experience the natural birth/rebirth that we are privileged to witness annually?

Will the farms, cattle ranches, trail drives and cowboys, and the rural lifestyle they represent, be sustained as a part of our culture and economy?

Will a diverse and healthy economy of big game, small mammals, reptiles and song birds frequent the meadows and inhabit the riparian areas?

Will trout still survive?

Will the open spaces and scenic vistas remain?

Will this be a place people want to visit and experience and where they can grow in their understanding of their own environment?

Will we have an economy that will sustain these features?

The choices and responsibility, ultimately, are ours.

BOARD OF DIRECTORS

GROUP A: MONTANA LAND RELIANCE Roy O'Connor, business owner, rancher Rock Ringling, managing director

GROUP B: WOODSON FAMILY

Martha Woodson, rancher Leslie Vanderpool Robin Mitts, learning and organizational effectiveness consultant, Shell Oil Company

GROUP C: RUBY VALLEY COMMUNITY George Swan, business owner, rancher Neil Barnosky, rancher

DIRECTOR EMERITUS Craig Woodson, rancher

EXECUTIVE DIRECTOR Les Gilman, Ranch Resources, rancher

Front Cover (from the top) Bald Eagle; Beaver; Wild Turkey; Mourning Dove.

This page (from the top): Western Meadowlark; Muskrat; Yellow Warbler; Red-winged Blackbird.

















CURRENT RESEARCH PROJECTS Vegetation Projects

We continue to experiment with various vegetation practices on the Woodson Ranch, in an attempt to perfect sustainable methods of meeting our management goals. We are practicing no-till farming when possible. We are working on establishing perennial wildlife food and cover plots on field borders and corners. We continue to work on reestablishing native plant communities. We share our findings with the community and engage them for their ideas and support.

Intensive grazing plant varieties

A great deal of work has already been done on the benefits and methods of intensive grazing (confining a relative large number of livestock on a small area for a short period of time). Our ongoing research project is attempting to determine which plant varieties, suited to our climate, will respond most favorably to this practice. Eight small pastures were seeded in the spring of 2005 and allowed to become established. Beginning in the spring of 2006, these pastures were grazed with a small herd of cattle on a rotational basis with each pasture being grazed for three days and allowed to rest for twentyone days before being grazed again. Forage and fecal samples were taken from each pasture and analyzed to determine quantity and quality of the forage and potential rates of gain for the cattle. Results from the first year have been compiled and shared with area producers and the local Natural Resource Conservation Service.

Low input cattle production

This project is monitoring the results of a low input cow/calf operation. A small herd of cattle (complete with historical statistics) is being wintered on standing forage on the Woodson Ranch and receives no harvested forage (hay). The cattle calve on their own in late spring/early summer. In the fall of the year the herd receives the recommended vaccinations, the cows are pregnancy checked and the calves are weaned. Labor, equipment, infrastructure and supplemental feed inputs are kept to a minimum. Pounds of calf weaned per cow exposed to the bull, together with the cost per pound of production will be compared to the same statistics on the herds (from which the cattle originated) operating under more traditional late winter/early spring calving scenarios. Preliminary numbers look good with the steer calves weaning off of the cows at 600 pounds on December 1st. Results from the project will be available to area producers and the local Natural Resource Conservation Service.

Managed winter gazing (to be initiated in 2007)

The goal of this project is to determine if the production of standing or stockpiled forage of high quality and sufficient quantity to meet winter carry over needs is possible, practical and sustainable for the Ruby Valley and Southwest Montana. (Stockpiling is the practice of allowing a hay field or pasture to regrow during mid-summer or early fall so forage is available for grazing later in the season. The practice is also known as deferred grazing.) We would like to determine if managed grazing of stockpiled forage can save on feed costs while providing high quality and quantity of feed for animals during the winter. In this project we will determine the quality and quantity of stockpiled winter forage by managed grazing of different native and introduced forage varieties planted in small paddocks. Fecal samples will be collected from each paddock to determine nutrient levels provided by the different forage varieties. Data will also be collected to analyze the subject forages for suitability as hay and summer forages and as wildlife habitat along the field borders and ungrazed areas.

NOTE:

The theme of this year's annual report is the incredible biodiversity of the Ruby Valley. In the summer of 2005, Lauren Morgens undertook to chronicle, photographically, some of the species that were then in residence on the Woodson Ranch. The pictures in this report are part of the results of her efforts. These twentyeight birds and animals are but a smattering of the creatures who call the valley their home for at least a part of each year. The habitat supports both commercial and natural activity, as is shown by the description of various ranching and educational activities and by this exhibit of Ms. Morgens' stunning photographs.

This page (from the top) tailed Deer.

SCOTT WALDIE October 14, 1946 - May 25, 2006

he Ruby Valley lost a great champion with the passing of long time resident, Scott Waldie. The noted author of the Travers Corners series of books greatly loved the valley and the Ruby River. The Woodson Ranch was one of his favorite spots in the valley. He delighted in taking friends to "Trout World" as he called the ranch, and sharing the beauty of the place and the river's splendid brown trout. More than 200 of Scott's friends and loved ones from all over the country

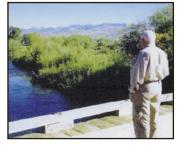
gathered on the banks of the Ruby at Woodson's to celebrate his life on July 13, 2006 where stories and remembrances about Scott were shared.

Scott's love of the outdoors, fly fishing, photography and the written word provided the pathways of his life. He was a well-known river guide in California, Arizona, Wyoming and Montana. He owned the Four Rivers Fishing Company in Twin Bridges for fifteen years. He was a prolific writer of fishing travel articles, short stories, novels and screen plays. Scott's last and favorite travel writing assignment was to Scotland in 1992 where the salmon fishing was slow but the Scottish cook, Jan Buist, was quick to capture his heart – they were married in Virginia City, MT later that year. Jane now carries on Scott's love affair with the valley and its residents. A devoted father and grandpa, Scott loved to share his love of the outdoors and Montana with family and friends.

One of Scott's most enduring quotes is in the short story "Heaven is a River" from Travers Corners. He said, "I always thought if there is a true and just God, he would allow one to have a say in his or her heaven." Scott would want everyone who comes to the Ruby Valley and The Woodson Ranch to know that he felt these surroundings were about as close to heaven on earth as one can get.

M.C. "BUD" KANOUSE

ud Kanouse was born October 7, 1936 in D Lansing, MI and remained a Michigan resident until his death on October 9th, 2003. He is survived by his wife Joan and daughters Jennifer and Sarah. He received his undergraduate and dental degrees from the University of Michigan where he also completed his residency in periodontics. A move to Grand Rapids, MI followed, where he was a



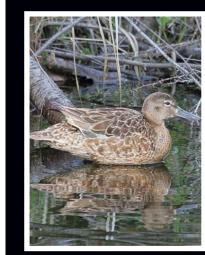
periodontist until forced to retire at the age of 53 due to a severe latex glove allergy.

In college, Bud began to paint using watercolors before going to classes. Thereafter, early morning painting continued before he went to the office. He became a watercolor painter of national reputation and had recently started oil painting before his death. His early retirement allowed him not only to paint more, but to passionately engage in the many activities he loved as well. These included fly fishing (and getting lost!), fly tying, hunting, cooking, writing, reading, photography and traveling.

Bud fly fished extensively in Michigan but had also been going out West for many years to fish, especially in southwestern Montana. After his retirement, he continued to spend more time in Montana and nearby states. Upon his return from another fishing trip, Bud announced to Joan that he had finally found the perfect spot, the Ruby River Valley and Sheridan, MT.

Bud and Joan soon returned to Sheridan and bought a home on Mill Street in 1994. Thereafter, they would spend the late spring, summer and fall in Sheridan. Bud's love affair with Sheridan and its residents, the Ruby River and the Ruby River Valley was shared by his family including his dog "Doc".

Bud and Joan became close friends with Scott and Jane Waldie as well as Craig and Martha Woodson. Bud confided that besides Scott's books and articles, he - continued -

















was in awe of Scott's fly fishing ability, even though he was an expert in fly fishing himself. Bud had the effortless ability to totally immerse himself on a trout stream where he became part of its surroundings. He simply knew when to watch, when to fish and what to use. He was never in a hurry as he soaked up the outdoors and would stop fishing to watch a hawk or deer nearby. He also loved eating at The Old Hotel in Twin Bridges which Scott and Jane owned. Enjoying their company and having Jane's potty eggs were a recurring highlight for him.

Bud equally appreciated Craig and Martha Woodson. He thought the world of them and thoroughly enjoyed the time they spent together, including sharing meals with them at The Old Hotel, or just chatting at their ranch. Bud was also in awe of them with their vision of what they wanted to do with their ranch. Their foresight and efforts resulted in the Ruby Habitat Foundation. Bud generously contributed numerous paintings of their ranch to help raise funds for the Foundation. Next to his family, the love of Bud's life was the Ruby River, its valley and Sheridan, Montana. He will always be part of it.

n keeping with the mission of the foundation, the Board of Directors and the Woodson Ranch have begun a collaborative effort with the local school district and other agencies. The northern end of the Woodson Ranch is being developed into an outdoor classroom for use by various instructors at the school.

In the spring of 2004, following an outing to the ranch (for the students to a GPS location), the fourth grade class from the elementary school, along with the high school agriculture classes, came to the ranch to begin construction of a nature trail.

The nature trail serves as a safe and convenient laboratory, to which any teacher can bring their students to observe first hand the diverse wildlife habitat opportunities and their coexistence with agricultural operations. Physical education classes and science classes have made outings to the ranch. In the fall of 2005 and spring of 2006, the local art teacher brought her class to the site so that the students could create environmental art. In the fall of 2006, elementary students from all three elementary schools in the valley visited the ranch for "River Resource Day," an interactive outing featuring a diverse team of natural resource experts.

In the development stage is a small interpretive center in an historic log barn located at the trail head. Memorial gifts given in honor of two dear friends of the foundation, Bud Kanouse and Scott Waldie, will be used to renovate the building. It will become the Waldie/Kanouse Visitor Center.

In cooperation with the local Natural Resource Conservation Service, demonstration plots of native and introduced grasses, shrubs and forbs are being planted near the visitor center. Such plots will serve to help students understand these plants' physiology and appearance, as well as site suitability and agricultural and environmental significance.



Note the new roof.

Gary P. Skinner

OUTDOOR CLASSROOM AND NATURE TRAIL

The Waldie/Kanouse Visitor Center under renovation.

Les Gilman

This page (from the top); Black-headed Grosbeak; Ring-necked Pheasant; Common Yellowthroat; Wilson's Phalarope.

RHF SUPPORTERS

Sarah Barton Diana & Richard Beattie Oliver Birckhead Allen Bjergo Bill Bone Glenn Brackett Dave Brandos William F. Buckley II Linda Hale Bucklin Luana & Gregor Campbell Molly & Jason Carrico Reid Carron Eric Carson Robert Cherry Wayne Cherry N. M. Christensen Gus Comiskey Jr. Samuel Corl III Edgar Cullman Jr. Chervl L. & John Dale Maria & Richard D'Antoni Christina K. Davis J. Daniel Davis M.D. Rutledge H. Deas Jr. A. Newton Dilley Thomas E. Donnelley Elise R. Donohue Daniel Downey M.D. Michael Edwards Carol & Mark Engebretson Janet & John Ethen Sherrie & Richard Fast Pamela & Lawrence Garlick Barbara & Michael Gettelman Fredrick Goldberg Bruce Gottwald John R. Green Daniel M. Guggenheim Frank Higgins Fredrick Iden Susan & Duane Jacklin Joan Kanouse Robert Kaufman Stephanie & Curtis Kruer Ron Kunkel David Lehwalder Steve Liebmann Richard Lower Ann & Phil McCrurv Robin & David Mitts Lisa & Doug Mitts Lisa & Russell Mitts David Nordstrom Roy S. O'Connor Tommy O'Connor John O'Donnell J.R. Oosting D.D.S.

Stephen E. Parks Janis & Terry Phillips John Pohl J.F. Rand Rance Rathie Barbara A. and Robert C. Schoenfeld Gary P. Skinner Douglas Smith Peter J. Solomon Thomas J. Stoecker M.D. J. Michael Strangis Susan & William W. Taylor III Tim Tollett Kent J. Vana Leslie & Steven Vanderpool Jim Watson & Carol Bibler Thomas U. Warren Jane Waldie James C. Wallace Davis Weinstock II Ron Williams Jeremy Wilson Nancy & Douglas Wolcott Craig Woodson Martha Woodson Scott Wuebber Dave Younggren

Campbell-Logan Bindery, Inc. Dovetail Division of Wuebber Construction Elise R. Donohue Charitable Trust Frontier Anglers Gettelman Philanthropic Fund HAP Foundation Kingfisher Consulting Millsap Enterprises, Inc. Minneapolis Foundation Montana Land Reliance Northwestern Energy Peregrine Capital Management, Inc. Fund Ruby Springs Lodge SaltChuk Resources, Inc. Schwab Fund for Charitable Giving Spring Brook Ranch Fund Tarlow, Stonecipher & Steele The Braewold Fund The Donnelley Foundation Vanderpool Family Fund Waterborne Productions

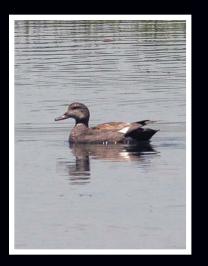
In Memoriam

J. C. Chapmas Francis Fenton Charlie Galiger Bud Kanouse James W. Logie M.D. Scott Waldie









Ruby Habitat Foundation 2006 Financials

2006 General Fund

Income: \$139,503 Expense: \$ 40,135

Net Income:

General Fund Cash on Hand:

Pays the day-to-day expenses that finance the operation of the foundation.

Rural Heritage & Open Lands Fund:

Designed to provide funding for outreach and land conservation efforts. General fund surpluses and designated gifts create the balance of this account.

Hill Education & Outreach Endowment:

Income finances conservation education and outreach to landowners and the general public. These funds come from specifically designated gifts.

Woodson Ranch Endowment:

The income from the corpus will be used for operation and maintenance of the Woodson Ranch, to ensure its protection and continued viability. The ranch is home to the foundation and its research efforts. The principal for this endowment, as well as current ranch operating capital, is being provided by Craig Woodson.

Other Assets (Equipment, Art and Books)

Total Assets as of 12-31-06:

are available upon request.

From the Montana LAND RELIANCE

"What a rewarding year 2006 was for Montana Land Reliance (MLR) and Ruby Habitat Foundation (RHF). The partnership continues to grow in so many positive ways. MLR's land owner education efforts continued this past year with many of our easement donors getting a first hand look at how agriculture and habitat can exist side by side. Over the year, MLR hosted six individual landowners on tours of the Woodson ranch and each left with new ideas to take home to their own properties. In addition, RHF hosted over 20 MLR donors who fished, watched the wildlife, and experienced the warm welcome from Craig and Martha. With the new visitors center just about done, more individuals will be able to enjoy the ranch and learn how RHF is impacting the community and fulfilling its mission. MLR is looking to complete three easements in the Ruby Valley in 2007 all a result of the partnership

between the two organizations. All of us at MLR can't wait to see what's next."

"The foundation is doing an immense service for all of us who take delight in Montana and its natural beauty." J. Michael Edwards, Columbia, South Carolina

"It is rewarding in these days when so much focus in on disruptive and alarming events to be reminded that there are many people who in quiet ways continue to put hopes for the future above their current desires. It seems to me that the Foundation - sparked by the altruism of the Woodsons- is doing just that." Rosemary Bowler, Boca Grande, Florida

\$ 99,368

\$ 66,501

\$ 84,302

\$ 13,198

\$ 220,641

\$ 29,016

\$ 413,658

RHF is a 509(a)(3) tax-exempt support organization to the Montana Land Reliance, a 501(c)(3) corporation. Our Tax identification number is 45-0487621. Each entity is audited annually and independently by Junkermier, Clark, Campanella, Stevens, P.C. Audit copies

Back Cover (clockwise from bottom right): Sandhill Crane; Cotton-tail Rabbit; Marsh Wren; Audobon's Warbler.





Land owners and resource managers are inherently bound to a high level of resource accountability. We are bound by law to protect the environment and prevent resource degradation, but we have a higher obligation to be good stewards of our natural resources, sharing them today and preserving them for future generations. The decisions we make and the actions we take affect our own environment as well as that of the wildlife, our neighbors and future generations. (Craig Woodson, founder RHF)

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