

DEL MONTE FOREST FOUNDATION

STRATEGIC PLAN 2009-2013



**The Strategic Planning Committee
of the Board of Directors**

2008

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FOR 2009-2013**

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I. HERITAGE AND CONTINUING RESPONSIBILITIES MISSION, VISION, VALUES AND IMPERATIVES

Del Monte Forest Foundation was established in 1961 to own and manage open space in the Del Monte Forest.

A Del Monte Forest Plan was adopted in 1977 by Del Monte Forest Property Owners and Pebble Beach Company. Subsequently, Del Monte Forest Open Space Advisory Committee (OSAC) was formed in 1979 to:

- Work toward all open space in the forest being owned by one organization
- See that all open space is dedicated in perpetuity
- Determine how to manage and maintain open space areas
- Increase open space areas by purchase or donation
- Establish an educational program for residents and visitors
- . . . And suggest plans for funding open space acquisition and maintenance

Del Monte Forest Foundation directors voted unanimously in April 1980 to accept responsibility for managing open space in the Del Monte Forest and to fund maintenance of open space areas in accord with provisions of the OSAC management plan.

A land use plan for the Del Monte Forest was prepared in 1983-1984. The OSAC management plan was incorporated in the final land use plan. The Del Monte Forest Area Land Use Plan was presented to the California Coastal Commission and approved September 24, 1984.

This Strategic Plan for 2009-2013 has been adopted by the Board of Directors to guide and develop the work of the Foundation in accordance with Board of Directors' adopted mission, vision, values, and imperatives statements.

MISSION

The mission of the Del Monte Forest Foundation is to preserve, protect, restore, and enhance properties within Del Monte Forest for the benefit and enjoyment of residents, visitors and future generations.

- AS A 501C (3) CORPORATION

VISION

The vision of the Del Monte Forest Foundation and its directors is that the Foundation will in perpetuity:

- Preserve, protect, restore, acquire, and enhance open space within Del Monte Forest
- Manage Del Monte Forest Foundation resources consistent with the Foundation's mission and land use plan including:
 - Land owned in fee simple and/or protected under easements
 - Endowments and current financial resources
 - Human resources – volunteers, directors, professional advisors, and staff
- Hold as inviolate all accepted scenic and conservation easements except when ordered to do otherwise by a court of competent jurisdiction, or a government agency empowered by to do so.

VALUES

The values which guide the Del Monte Forest Foundation in all its work are those of:

- Conserving the coastal forest for the benefit of present and future generations . . . consistent with the Del Monte Forest Land Use Plan and the Open Space Advisory Committee Management Plan
- Bringing appropriate open space within Del Monte Forest under the responsibility of Del Monte Forest Foundation
- Encouraging gifts to the Foundation of land and easements
- Optimizing appropriate use and enjoyment of open space
- Encouraging forest conservation through research and education

IMPERATIVES FOR 2009-2013

The principal imperatives recognized by the directors of the Foundation which will be acted upon in the 2009-2013 period include:

- Adopting, committing to and implementing the Strategic Plan for 2009-2013, reviewing, revising and extending the plan every two years
- Governing and managing the Foundation in accordance with its by-laws and Strategic Plan
- Developing financing – both current funds and endowments -- needed to meet present and future responsibilities
- Managing financial resources to meet program requirements and allow 3-4% of total return on investments to be retained as endowment to offset inflation
- Monitoring and complying with terms of conservation easements of the Del Monte Forest Foundation to benefit the Forest
- Optimizing use and income to Del Monte Forest Foundation from land and specialized facilities including Indian Village and Gingerbread House
- Developing endowments and current gifts of funds and services to finance Foundation programs and services from:
 - Pebble Beach property owners and residents
 - Local and regional foundations and corporations (including private foundations), Pebble Beach Community Services District, Pebble Beach Company, government agencies and other sources
- Encouraging and helping Del Monte Forest homeowners to:
 - Enhance and maintain their properties consistent with accepted environmental standards . . . including the selection of appropriate trees, shrubs and plants
 - Respect and enjoy open spaces . . . as well as Foundation facilities and services
 - Consistently monitor and comply with terms of conservation easements of the Del Monte Forest Foundation for the benefit of the Forest
- Developing information to give to Del Monte Forest visitors to:
 - Motivate them to help preserve the sensitive environment
 - Ensure enjoyment and appreciation of the forest during visits
 - Encourage them to contribute gifts including endowments to the Foundation

- Electing directors with qualifications and commitment essential to:
 - Govern and manage Del Monte Forest Foundation
 - Direct implementation and extension of the Foundation's Strategic Plan

- Contracting for (or employing) staff needed to implement the Strategic Plan.

- Maintaining effective relationships with and support from:
 - Monterey County
 - The State of California and especially the:
 - California Coastal Commission
 - California Forestry and Fire Protection Department
 - Neighboring cities
 - Del Monte Forest Property Owners
 - Pebble Beach Community Services District
 - Pebble Beach Company
 - Pebble Beach residents
 - As well as from the Open Space Advisory Committee (OSAC)

TO ACCOMPLISH ITS MISSION – RECOGNIZING THESE IMPERATIVES – THE DEL MONTE FOREST FOUNDATION IS COMMITTED DURING 2009-2013 TO:

- Carry out programs and provide services included in this Strategic Plan as set forth in Section II

- Implement a plan for financing programs and services as set forth in Section III

- Develop financial resources as set forth in Section IV

- Provide board leadership and support needed to carry out the Strategic Plan and to revise and extend the plan every other year for two more years in accordance with the Plan of Action set forth in Section V

II. PROGRAMS AND SERVICES OF DEL MONTE FOREST FOUNDATION

During the years 2009 through 2013 the Del Monte Forest Foundation will continue, enrich and expand its historic programs and add programs and services as opportunities arise and financial resources are available.

The structure of the Foundation's programs is shown in Exhibit I below.

EXHIBIT I

DEL MONTE FOREST FOUNDATION PROGRAM STRUCTURE

COASTAL FOREST PROTECTION, ENHANCEMENT, RESTORATION AND USE PROGRAM FOR:

DEL MONTE FOREST LANDS ACQUIRED AND OWNED
BY THE FOUNDATION IN FEE SIMPLE

DEL MONTE FOREST LANDS AND OPEN SPACE WHERE
THE FOUNDATION HOLDS EASEMENTS

INDIAN VILLAGE AND ANNEX

OTHER FOREST LANDS OWNED OR CONTROLLED UNDER
EASEMENTS

+

ACQUISITION AND MANAGEMENT OF OPEN SPACE
AND FOREST LANDS WITHIN DEL MONTE FOREST

FOREST INFORMATION AND EDUCATION PROGRAMS AND SERVICES

EDUCATION AND INFORMATION FOR
OWNERS OF DEL MONTE FOREST
PROPERTIES

VISITOR AND STUDENT EDUCATION AND
INFORMATION

WEB SITE PROVIDING DEL MONTE FOREST
AND ENVIRONMENTAL INFORMATION

ANCILLARY PROGRAMS AND SERVICES

MANAGEMENT OF FOUNDATION-OWNED REAL
ESTATE LEASED TO GENERATE INCOME TO FINANCE
FOUNDATION
PROGRAMS AND SERVICES

RENTAL OF INDIAN VILLAGE AND OTHER FOUNDATION
PROPERTIES FOR APPROVED RECREATIONAL USES

ACQUISITION OF REAL PROPERTY BY GIFT FOR DMFF USE
OR SALE TO INCREASE ENDOWMENT

ENHANCEMENT AND USE PROGRAM

The principal program of the Del Monte Forest Foundation will continue to be the protection, restoration, enhancement and use of forest properties for which it has responsibility as owner or as easement holder. Under this program the Foundation will continue to:

- Work on a continuing basis to protect, restore, and enhance the Foundation's presently held properties and properties which it may acquire
- Complete a number of high priority special projects approved by the board
- Work cooperatively with the Pebble Beach Company to accomplish conservation objectives
- Collaborate with the Pebble Beach Community Services District and/or the California Department of Forestry and Fire Protection to complete projects of high mutual importance

Presently held properties for which the Foundation has continuing responsibilities include 230+ acres owned in fee simple, scenic/conservation easements on 426+ acres of Pebble Beach Company land, scenic easements on 31 residential properties with an estimated 25+/- acres and trail easements on Poppy Hills. Presently held properties are shown in Exhibit II.

Continuing work to protect, enhance and encourage use of the Foundation's presently held properties will of necessity include a great variety of work to be completed as specified, scheduled and supervised by the Foundation's board and professional staff and consultants.

Work scheduled each year on Del Monte Forest properties for which the Foundation will continue to have responsibility during 2009-2013 will include:

- Non-native plant control
- Propagation and planting of native species of trees, shrubs and plants
- Fire clearance including removal of "jackpots"
- Removal of hazardous trees
- Trail and road maintenance
- Disease resistant pine tree propagation, site preparation and planting
- Stream bed enhancement where appropriate to protect adjacent forest resources from sedimentation and erosion
- Gingerbread House maintenance
- Indian Village shelter and picnic area maintenance

Continuing work to preserve, protect, restore and enhance Foundation properties will differ property-by-property and cost increasing amounts during the years 2009 through 2013.

EXHIBIT II

**PROPERTIES FOR WHICH DEL MONTE FOREST FOUNDATION IS
PRESENTLY RESPONSIBLE**

DMFF FEE PROPERTIES

S. F. B. MORSE BOTANICAL PRESERVE	83.86 ACRES
CROCKER CYRESS GROVE	12.54
PESCADERO CANYON	74.97
INDIAN VILLAGE	21.04
NAVAJO PARCEL	25.57
PESCADERO POINT	1.61
S. F. B. MORSE MEMORIAL LOT	1.25
HERMANN PARCEL	4.51
CORTLANDT HILL PRESERVE	4.80

OTHER PROPERTIES OWNED BY DMFF

GINGERBREAD HOUSE

EASEMENTS HELD ON PROPERTIES OWNED BY OTHERS

**SCENIC/CONSERVATION EASEMENTS ON
PEBBLE BEACH COMPANY LAND** **426+ ACRES**

**HUCKLEBERRY HILL NATURAL RESERVE
SHEPHERD'S KNOLL
INDIAN VILLAGE ANNEX
BEACH AND TENNIS CLUB (BEACH AND DOCK ACCESS)**

SCENIC EASEMENTS ON 31 RESIDENTIAL PROPERTIES **26+ ACRES**

TRAIL EASEMENTS ON POPPY HILLS **10+ ACRES**

In addition to annually scheduled work a number of one time projects will need to be undertaken during the 2009-2013 period as means of financing can be developed. Specifically:

- Approval for renovation of Gingerbread House including meeting code requirements is being sought
- Steps need to be taken in areas of the Del Monte Forest to alleviate impact from accelerated runoff and channel down-cutting
- Uncertain boundaries need to be surveyed
- A baseline conditions study needs to be made of each property held in fee by the Foundation
- Permanent plot monitoring will be carried out with a re-sampling every three to five years

Some Pebble Beach Company-related work must be done with the possibility of some associated costs being met by the Del Monte Forest Foundation. For example:

- Restoration work is needed to control effectively water runoff into Indian Village from adjacent Pebble Beach Company property
- Potential major new open space easements will need to be monitored at significant annual costs that will increase gradually over time.

As annual plans and budgets for the Foundation's work are prepared they will be based upon DMFF's Strategic Plan and coordinated with plans of the Pebble Beach Company, Pebble Beach Community Services District, and California Department of Forestry and Fire Protection.

FOREST INFORMATION AND EDUCATION PROGRAMS AND SERVICES

The Del Monte Forest Foundation will provide help to Del Monte Forest homeowners to maintain and enhance their properties.

The Foundation will also provide appropriate articles for local newspapers featuring Foundation-held Morse Botanical Preserve, Crocker Grove, Pescadero Point, Indian Village, nature trails, riding trails and interesting scenic easements.

The Del Monte Forest Foundation will provide opportunities for homeowners to enjoy open spaces and facilities within the forest by:

- Arranging for periodic nature walks led by naturalists knowledgeable of forest trees, plants and wildlife

- Providing signs to identify plants, shrubs, trees and natural features of the Forest and Peninsula

The Foundation will also encourage protection of the forest's sensitive environment by a variety of other planned actions including control of unwanted trespass to the Gingerbread House and Cortlandt Hill Preserve.

The existing program of providing education and information for property owners will be continued and expanded during 2009-2013.

Education and information will be provided for owners of Del Monte Forest properties through media, Foundation publications and ancillary means.

Educational and informational materials will be developed and provided by the Foundation to visitors and students coming to the Del Monte Forest.

An audio visual presentation about the Del Monte Forest as a distinctive coastal forest will be developed for use by Foundation representatives at:

- Meetings with representatives of foundations and prospective donors
- Meetings of interested educational, conservation, scientific and civic groups on the Monterey Peninsula and central coast
- Area schools and colleges

The Del Monte Forest Foundation's existing web site will be continued, kept up-to-date and enhanced to stimulate interest in the Del Monte Forest, and encourage support for the Foundation's work.

FOREST RESEARCH PROGRAMS AND PROJECTS

The Del Monte Forest Foundation will, within the limits of its resources and funds made available to it on a designated basis, continue to sponsor and/or participate in forest and ecological research. Advantage will be taken of the unique forest and other natural resources of the Del Monte Forest and adjacent areas of the Monterey Peninsula.

Research will be conducted for the primary purpose of advancing the effectiveness of forest and environmental preservation, restoration, enhancement and management . . . as well as protection of the coastal environment.

ANCILLARY PROGRAMS AND SERVICES

During the coming five years the Del Monte Forest Foundation will continue to manage real property it now owns. As far as possible, income from those properties will be maximized to provide support of the Foundation's basic programs.

Gingerbread House will be sold and land under it will be leased on a long-term basis to produce income to finance Foundation activities. It is hoped that an appropriate sale and lease can be entered into in 2009 or soon thereafter.

Indian Village will continue to be managed to provide opportunities for residents, visitors and civic groups to enjoy the forest environment, and have group and family outings or meetings in the Del Monte Forest. A continuing goal will be to generate enough use-fee income to maintain and enhance facilities.

The Foundation will as part of its ongoing development effort seek endowment gifts in the form of real property in Del Monte Forest and elsewhere on the central coast.

- Gifts of real property in fee or under easement will continue to be sought within Del Monte Forest – in keeping with the Foundation's mission
- Gifts of residential or other potentially income producing properties within the forest which would benefit the Foundation will also be actively sought
- Gifts of real property and ownership interests outside the Del Monte Forest will also be sought and proceeds of sale will be used for purposes upon which the donor and Foundation have agreed

FOR THE FOUNDATION TO BE ABLE TO IMPLEMENT PLANS FOR PROGRAMS AND SERVICES SET FORTH IN THIS STRATEGIC PLAN IT WILL BE NECESSARY FOR THE BOARD TO ADOPT PLANS FOR:

- Financing programs and services
- Development of financial resources required
- Future governance, management and operations of the Foundation
- as set forth in sections of this Strategic Plan which follow

III. FINANCING OF PROGRAMS AND SERVICES

Implementation of plans for continuation, development and expansion of programs and services of the Foundation as set forth in Section II of this Strategic Plan will require:

- Major increases in virtually all annual program expenditures
- Financing expenditures for present programs and services and additional new programs and services as well as . . .
- . . . for one-time projects identified in recent years by the Foundation and/or OSAC as essential . . . but have been deferred for lack of financial means

At the same time, DMFF will accept the challenge of obtaining approvals needed from Monterey County and the California Coastal Commission to restore the Gingerbread House and adjacent property to meet building code and safety and environmental standards for the purpose of making it possible to lease the facility on a long-term basis to generate income to be used for Del Monte Forest preservation . . . the Foundation's fundamental responsibility.

EXPENDITURES REQUIRED TO FINANCE THE FOUNDATION'S FOREST PRESERVATION, RESTORATION, ENHANCEMENT AND USE PROGRAMS

To implement the 2009-2013 Strategic Plan of DMFF expenditures will be required to pay the cost of:

- Forest preservation, restoration, enhancement and use
- Forest education
- Ancillary programs and services of DMFF

Priorities set in the Strategic Plan as well as emergencies and special circumstances which arise during the 2009-2013 period will be taken into account in preparing annual plans and budgets, as well as in scheduling of work.

Annual plans and budgets will include estimates of costs of required work and necessary expenditures during the year for:

- Continuing forest maintenance
- Selected one-time forest preservation and maintenance projects of high priority

- Forest education programs and services
- Forest and environmental research
- Indian Village operation and maintenance
- Professional fees, insurance, taxes and administrative expenses

INCOME TO FINANCE DEL MONTE FOREST FOUNDATION'S PROGRAMS AND SERVICES

Costs of providing programs and services of the Del Monte Forest Foundation during the period of 2008 through 2013 will be financed, as they have been throughout the Foundation's past years of service, from:

- Current contributions - both grants for designated purposes and donations for current operations
- Income from Indian Village facilities rental to groups and organizations
- Investment earnings from the Foundation's investment portfolio comprising dividends and net capital gains (making use of restricted endowment principal and income in accordance with agreements between the Foundation and donors)

IV. DEVELOPMENT OF FINANCIAL RESOURCES

Financing the Del Monte Forest Foundation's programs and services – as well as programs and projects the Foundation would like to undertake – will require both prudent management of the existing investment portfolio and development of additional financial resources. The amounts of income and endowment needed will depend on priorities set by the Board of Directors and the interest and willingness of donors to provide financing for specific continuing programs and services as well as for new programs and projects.

To develop financial resources to implement this Strategic Plan four major efforts will be made by the Board of Directors, as shown in Exhibit III, following this page.

DEVELOPMENT OF ANNUAL FINANCIAL SUPPORT FROM THE DEL MONTE FOREST COMMUNITY

During past decades the Del Monte Forest Foundation has received financial support from property owners and residents of the Del Monte Forest. Numerous residents have made significant endowment and annual gifts to support continuation of the Foundation's work; many have contributed consistently and significantly to the Foundation's work. Many others have contributed modestly. Some have not, perhaps not appreciating the importance of DMFF's work to sustain the forest environment and enhance the quality and value of the area in which they own property and live or visit frequently.

In years immediately ahead the Foundation (with the assistance of professional development counsel) will place major emphasis on making property owners aware of the importance, quality and results of the Foundation's work. More effective means to encourage giving annually will be developed . . . drawing on the recognition of accomplishments and benefits to the property owner.

Particular emphasis will be placed during future annual fund raising campaigns on informing property owners and residents about the educational services and information available from the Foundation and via the Foundation's web site. Use of those services will be actively encouraged directly and in cooperation with Del Monte Forest Property Owners, Pebble Beach Community Services District, and Pebble Beach Company.

Board committees will prepare annual action plans and propose budgets to implement plans. Matching annual gift campaign goals will be set.

EXHIBIT III

**DEVELOPMENT EFFORTS ESSENTIAL
TO IMPLEMENT THE STRATEGIC PLAN**

**TO DEVELOP THE FINANCIAL
RESOURCES NEEDED TO
IMPLEMENT THE STRATEGIC
PLAN DURING THE COMING
SIX YEARS THE FOUNDATION'S
BOARD OF DIRECTORS WILL
FOCUS ON FOUR MAJOR
DEVELOPMENT EFFORTS**

**DEVELOPMENT OF ANNUAL
FINANCIAL SUPPORT FROM THE
DEL MONTE FOREST COMMUNITY**

**.DEVELOPMENT OF GRANTS FOR
DISTINCTIVE MAJOR PROGRAMS
AND PROJECTS**

**.DEVELOPMENT OF ENDOWMENT
THROUGH ENCOURAGING "TAX
ADVANTAGED" GIVING BY DONORS**

**. ENCOURAGING COST SHARING FOR
SPECIFIC PURPOSES AND PROJECTS
(VIZ. WITH PEBBLE BEACH
COMMUNITY SERVICES DISTRICT AND
PEBBLE BEACH COMPANY)**

Annual campaigns will be led and overseen by the board's Development Committee. The committee will comprise both directors and residents invited to serve and participate as members. The committee will be supported in its work by professional development counsel.

Support for the Foundation's annual campaign will also be sought from the Del Monte Forest Property Owners, Pebble Beach Community Services District, Pebble Beach Company, and their publications.

DEVELOPMENT OF GRANTS FOR DISTINCTIVE MAJOR PROGRAMS AND PROJECTS

Grants in the form of current gifts will be sought to finance essential one-time projects included in the Strategic Plan. Requests for project financing assistance will be prepared and presented to Del Monte Forest residents – especially those who may be most directly benefited by completion of the project.

Endowment gifts and/or assurance of continuing financial support for education and research will be sought from foundations, corporations, estates, families and individuals with specific interests. Such financial support will have to be ensured before the Foundation's Board of Directors will be justified in sponsoring such programs.

DEVELOPMENT OF ENDOWMENT THROUGH ENCOURAGING "TAX ADVANTAGED" GIVING BY DONORS

The Foundation will offer to individuals and families interested in Del Monte Forest and the California coastal environment opportunities to contribute via gifts which offer donors and their heirs tax advantages.

Owners of real property in the Del Monte Forest will be encouraged to give residential properties and undeveloped residential lots to the Del Monte Forest Foundation. The intent is that the Foundation will by agreement with the donor:

- Own and lease the property to produce income to help support the Foundation's work – or –
- Sell the property and add the proceeds of sale to DMFF's endowment to be used for general support for work of the Foundation or for designated purposes

Owners of real property outside the Del Monte Forest as well as owners of other financial future interests – especially those interested in environmental conservation, forest and environmental research and education – will also be encouraged to make gifts to the Del Monte Forest Foundation for specified purposes. Real properties outside the Del Monte Forest given to the Foundation will

be sold and the proceeds of sale added to the Foundation's endowment and used in accordance with agreements between DMFF and the donors. Other current and future interests received in this manner will be evaluated by the Foundation's directors and either added to endowment, if consistent with endowment policies and priorities, or liquidated and the proceeds of sale added to endowment for general or designated purposes.

SECTION V WHICH FOLLOWS SETS FORTH THE FOUNDATION'S PLAN FOR GOVERNANCE, MANAGEMENT AND OPERATIONS DURING THE YEARS 2009 THROUGH 2013.

V. GOVERNANCE, MANAGEMENT AND OPERATIONS

The Del Monte Forest Foundation is governed by a twelve member self-perpetuating board of directors in accordance with the by laws. The board will continue to manage the Foundation through its elected officers with the assistance of committees and professional advisors. Officers will perform essential functions on a part time, uncompensated basis. Contract consultants and staff will be engaged as in the past to provide specialized professional, technical and support services. The staff of Pebble Beach Community Services District will also continue to be requested to provide professional and technical assistance.

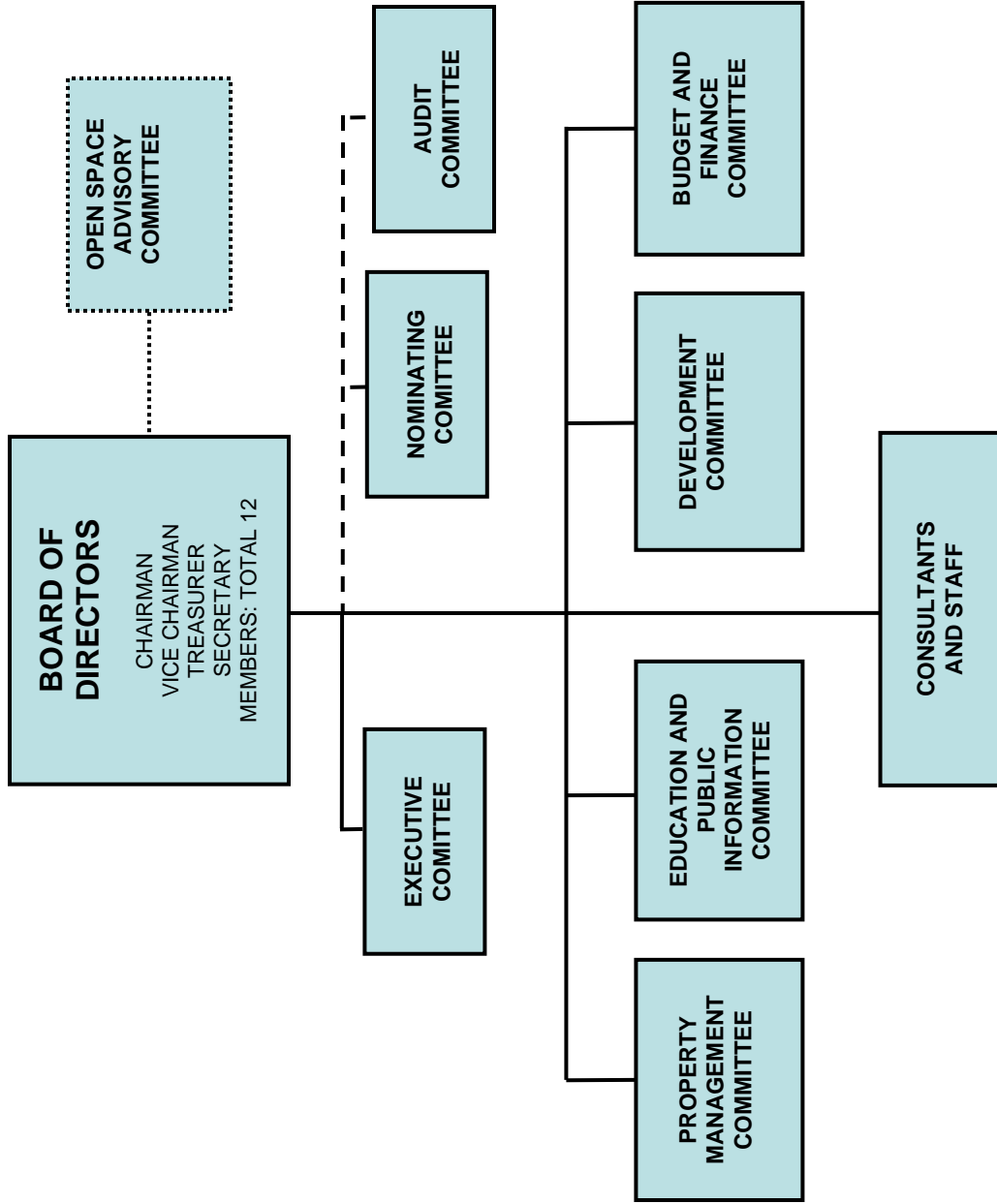
PLAN OF GOVERNANCE ORGANIZATION

Exhibit IV, following this page, sets forth the plan of governance organization of the Del Monte Forest Foundation and its board, committees and officers.

The twelve member board will, in accordance with the by laws, continue to govern and oversee all activities and resources of the Foundation. Members will be residents and property owners in Del Monte Forest. Directors will be individuals committed to environmental conservation and protection of the forest . . . as well as to education and research related to the forest environment.

Officers of the board elected from among incumbent directors will continue to be the chairman/president, the vice president, treasurer and secretary. Officers will continue to be elected annually by the board as a whole. A nominating committee will continue to identify Del Monte Forest property owners who are residents with interest in and commitment to protection and conservation of the Del Monte Forest environment for consideration as potential directors. Committee chairmen will be appointed by the president and confirmed by the Board of Directors.

**EXHIBIT IV
PLAN OF GOVERNANCE ORGANIZATION OF THE DEL MONTE FOREST FOUNDATION**



The executive committee will comprise seven members --- president, vice president, treasurer, and chairmen of the four principal board committees (viz. property management, education and public information, development, and budget and finance). The executive committee (augmented as appropriate by other directors appointed by the president) will serve as the Foundation's Strategic Planning Committee to ensure implementation of plans unless an ad hoc committee is appointed by the president for this specific purpose.

The Property Management Committee will continue to oversee and recommend board actions related to preservation, conservation, development and use of all forest and specialized properties (including Indian Village and the Gingerbread House) owned or held under easements by the Foundation. The Property Management Committee will comprise a chairman and two or more directors . . . and may include one or more advisory members (non-directors) at the will of the chairman of the committee.

The Education and Public Information Committee will have responsibility for carrying out the various projects and providing the continuing services called for in this Strategic Plan. The committee will identify opportunities to provide information about Del Monte Forest to residents, visitors to the Peninsula and educational institutions and conservation organizations. Publications and other media will be developed and used by the committee.

The Education and Public Information Committee will include four or more directors (one as chairman). Up to three individuals interested in the Foundation's programs who have professional skills valuable to the committee may be invited by the chairman with the president's approval to serve as advisory members.

The Development Committee will have responsibility for preparing and, after board approval, carrying out both:

- Annual plans for development of support of the Foundation's continuing programs and specific priority projects . . . and . . .
- Plans for developing financial support for endowment and/or operating funds for specific projects or programs consistent with priorities set by the board

The Development Committee will include three or more directors (one of whom will serve as chairman) and may, with the president's concurrence, include three to seven residents of Del Monte Forest interested in the forest's future and the Foundation's programs, even though not currently directors of the Foundation.

The board's Budget and Finance Committee will continue to be responsible for recommending an annual operating budget and overseeing the board approved budget – expenditures and income – during each fiscal year. The committee will also be responsible for overseeing investment and management of the

Foundation's assets, liabilities and capital – including restricted and unrestricted endowments.

The Budget and Finance Committee will recommend to the Board of Directors both financial management and investment policies and the entity or entities retained to have custody of and invest the Foundation's endowment and current funds. The committee will also recommend board approval of any borrowing to finance specific projects or Foundation needs.

The chairman of the Budget and Finance Committee will be a director. The treasurer, as an officer of the corporation, will be an ex officio member of the committee. The committee shall include three to five directors and may, at the chairman's and president's discretion, include one or two non-directors who have professional skills and knowledge of value to the committee.

A Nominating Committee will continue to be responsible for proposing eligible individuals for election as directors. The committee shall submit its report and recommendations to the full board at a regular or special meeting of the board held at least two weeks prior to the annual meeting when directors are to be elected.

The Open Space Advisory Committee (OSAC) shall continue to be self-perpetuating and provide the Foundation's board and committees with professional advice and counsel with respect to conservation, restoration and maintenance of open space for which the Foundation is responsible. A significant responsibility of OSAC shall continue to be to "encourage dedication of open space to Del Monte Forest Foundation by means including donation, sale and conservation easements." The president of the Del Monte Forest Foundation may nominate two directors of the Foundation to serve as members of OSAC.

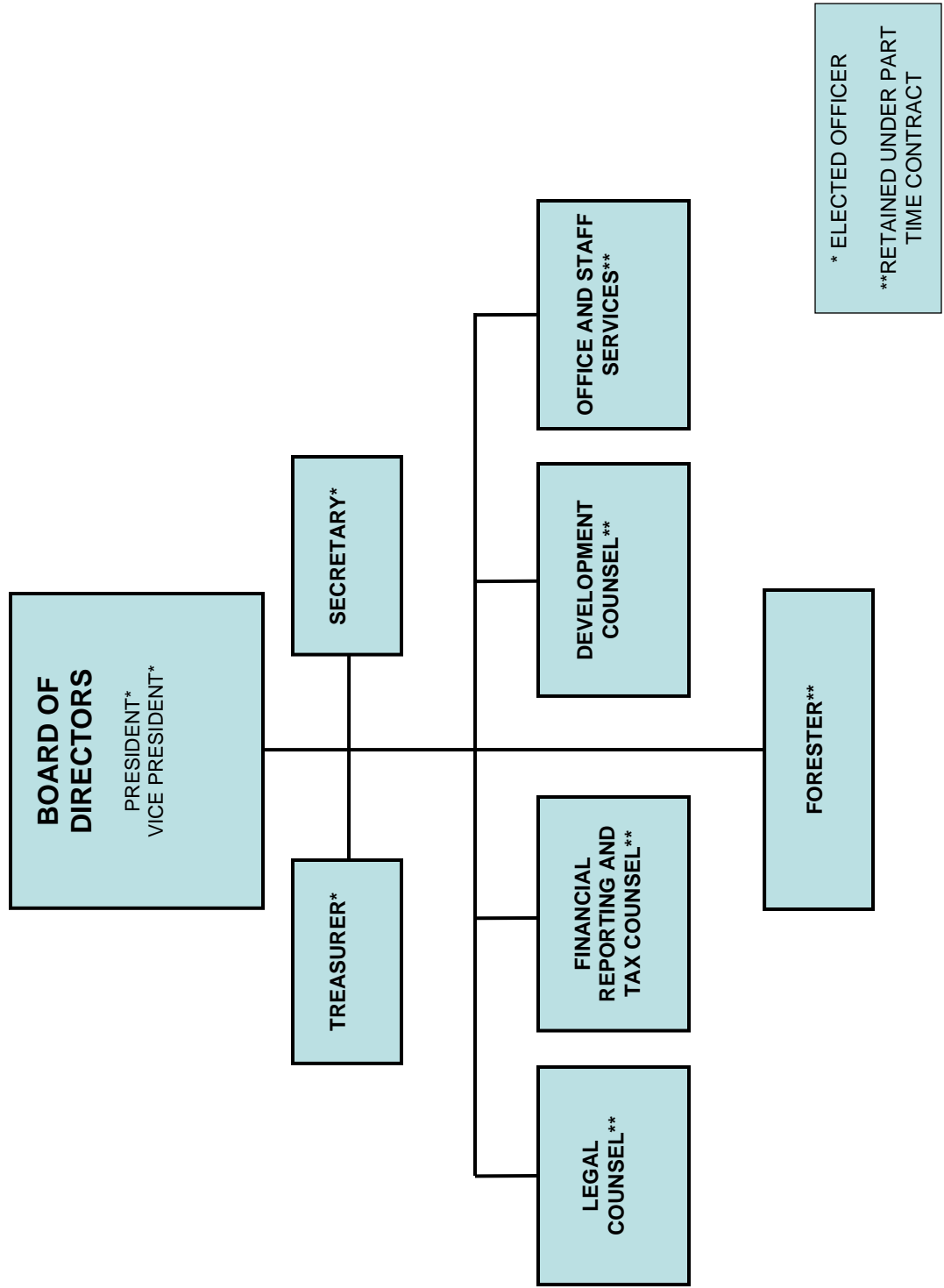
PLAN OF MANAGEMENT AND PROFESSIONAL ORGANIZATION

Exhibit V, following this page, portrays the plan of organization of officers, consultants and staff of the Del Monte Forest Foundation which will be followed in 2009. The plan, approved by the Board of Directors, will likely be modified year-by-year as responsibilities, program emphases and activities of the Foundation are expanded and/or modified.

The president will continue to serve as chairman of the board and as chief executive officer as provided in the Foundation's by laws. The vice president, treasurer and secretary will have responsibilities provided for in the by laws.

In years immediately ahead the Foundation will continue to rely on contracted professionals to meet the Foundation's professional, supervisory, technical and other needs. In the early years especially the Foundation will continue to contract for the professional services of:

EXHIBIT V
PLAN OF ORGANIZATION OF OFFICERS AND STAFF OF THE DEL MONTE FOREST FOUNDATION



* ELECTED OFFICER
 **RETAINED UNDER PART TIME CONTRACT

- An experienced professional forester to (1) direct and oversee continuing forest maintenance, essential one-time projects approved by the board, and other related operations and activities of the Foundation (2) provide the professional, technical and labor skills necessary to complete specific projects and provide routine forest maintenance services and (3) provide professional support to the Property Management Committee and OSAC
- Legal counsel to advise the board and to represent the Foundation in legal proceedings
- Financial reporting and tax counsel to provide professional advice and assistance
- Development counsel to provide professional assistance to the board and Development Committee in annual fund raising as well as in the preparation of specific project and program funding proposals and their presentation to foundations, corporations, families and individuals
- Secretaries, technicians and others with professional skills needed

As the Strategic Plan is implemented it will in alternate years be revised and extended by two years. At those times the need for the Foundation to have directly employed part-time or full-time professional executives (viz. an executive director and/or a director of development) will be carefully evaluated and plans to meet needs which cannot be met by continuation and expanded use of contracted services will be prepared and presented to the Board of Directors.

SECTION VI OF THIS STRATEGIC PLAN SETS FORTH A PLAN OF ACTION FOR 2009-2013.

VI. PLAN OF ACTION FOR 2009-2013

The Strategic Plan for 2009-2013 will be implemented in accordance with this Plan of Action.

Action 1: Adopt this Strategic Plan “in principle” as recommended by the Strategic Planning Committee.

- Assign to board committees responsibility for developing operating plans for their areas of responsibility, presenting those plans for board approval, and implementation of assigned components of the Strategic Plan for 2009-2013.

Action 2: Designate the Executive Committee of the Board of Directors as the committee to have continuing responsibility for:

- Guiding implementation of the Strategic Plan
- Revising and extending the Strategic Plan every two or three years to keep it current and to provide guidance for at least three years ahead

Action 3: Assign responsibility to Property Management Committee for:

- Implementation of provisions of the Strategic Plan related to forest preservation, restoration and enhancement
- Planning actions and proposing budgets for the forest preservation, protection, and enhancement and use programs for at least three years ahead
- Reporting on the condition of the Del Monte Forest for which the Foundation is responsible and recommending actions which should be taken to meet DMFF’s responsibilities and comply with Open Space Advisory Committee’s recommendations

Action 4: Assign responsibility to the Education and Public Information Committee for:

- Implementing provisions of the Strategic Plan related to forest information and education programs and services
- Planning actions and proposing budgets for information and education programs and services
- Carrying out educational and public information activities called for in the Strategic Plan

Action 5: Assign responsibility to the Development Committee for:

- Developing annual financial support for Del Monte Forest Foundation as called for in the Strategic Plan and the operating budget for the current year
- Developing grants for distinctive major programs and projects included in the Foundation's Strategic Plan and/or in which individual donors, organizations and/or foundations may have interest
- Development of endowments through encouraging "tax advantaged" giving by donors
- Calling upon Del Monte Forest residents to assist in building broader financial support for work of the Del Monte Forest Foundation (as advisory members of the Development Committee and/or as volunteers during annual and designated-use fund raising campaigns)
- Drawing upon development consultants to assist in the planning and execution of annual giving and endowment development activities

Action 6: Assign responsibility to Budget and Finance Committee for:

- Preparing, recommending and revising during the fiscal year annual operating budgets for Del Monte Forest Foundation
- Preparing and revising longer-term financial projections included in the Foundation's Strategic Plan to take into account program and services requirements and changing economic circumstances (including "total return" on endowment)
- Overseeing management of the Foundation's endowment and current funds on a continuing basis
- Developing, revising when appropriate, and recommending board adoption of current years' operating budgets and recommending intra-year budget revisions

- Revising and extending longer term financial projections to take into account both changes in program plans and priorities and realized and anticipated return on investments
- Reviewing and recommending board action called for in audits
- Keeping the Foundation's officers, Executive Committee and Board of Directors informed about the financial condition of the Foundation

Action 7: Assign responsibility to an Audit Committee for:

- Recommending scope and detail of annual audit
- Consulting with auditors during audit and at other times
- Reviewing auditors' reports and letters and recommending action by auditors and/or board of directors

Action 8: In 2011 evaluate progress, project future requirements and economic circumstances and revise and extend the Del Monte Forest Foundation's Strategic Plan for two years - - i.e. to 2015.

