



500 West Big Beaver  
Troy, MI 48084  
troymi.gov

## CITY COUNCIL AGENDA ITEM

Date: February 22, 2021

To: Mark F. Miller, City Manager

From: Robert J. Bruner, Assistant City Manager  
Elaine S. Bo, Recreation Director  
Brian E. Goul, Assistant Recreation Director

Subject: Troy Nature Society Financial Statements and Annual Report for Fiscal Year Ending 2020

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The Troy Nature Society a 501(c)(3) non-profit organization has a contract with the City to handle daily operations of the Nature Center. The Nature Society Activities at the nature center include nature inspired public programs designed for families, children and senior adults. In addition, they conduct programming for school and community groups along with guided nature walks and targeted school outreach nature studies.

The nature preserve is a valuable community asset offering a quiet retreat to solitary observers, couples, Scout groups, families, and school children who come to enjoy the natural beauty of the preserve. Some people come to sit on a bench, some to count bluebirds – others test water quality, monitor pond life, or tap the sugar maples. Many take the opportunity to capture photos of the wildlife for their own use and to enhance the society's marketing initiatives.

Attached is the Troy Nature Society's Financial Statements and Annual Report for Fiscal Year Ending 2020.

# FY2020 Annual Report



*The Troy Nature Society (TNS) is a nonprofit organization conducting educational nature programs for individuals of all ages at the Stage Nature Center. The organization promotes knowledge of our natural world and good stewardship of our environment.*



Stage Nature Center | 6685 Coolidge Hwy. | Troy, MI 48098 | 248.688.9703

[StageNatureCenter.org](http://StageNatureCenter.org)

## A Message from David Lambert, President of the Troy Nature Society

2020 is unlike any year many of us have experienced. This is especially true for the Troy Nature Society and the Stage Nature Center. We have seen not only the challenges facing our Center but also the incredible work of our staff and volunteers to maintain our viability. During the quarantine when our building was unavailable, our staff provided online nature programs using Facebook Live videos on a weekly basis. Our staff and volunteers also played a key role in maintaining our outdoor trails, so that our community had a place to recreate responsibly.



Photo credit Mara Stein

Thanks to these hard-working staff and volunteers, we managed the safe reopening of our building to allow in-person educational programs for the children and adults of our community and region. We are taking appropriate measures to sanitize and meet guidelines from the CDC and other government agencies so that our exhibit hall can remain open to the public. This includes reducing the number of allowable in-person program attendees until further notice. However, we are determined to continue our path to education for local students - our educational program committee is developing new school programs to be presented virtually.

Despite the challenges posed by the pandemic of 2020, we are excited to announce that we held a groundbreaking in October for the new Owl enclosure at the Stage Nature Center. We wish to thank all of those who helped provide financial support and those providing their extraordinary expertise to get us to that groundbreaking. I want to thank the members of the Nature Society Board of Directors for their strong leadership in recognizing the benefits these owls bring to our educational programming. Additionally, I wish to extend a special thank you to the Troy City Council, city administrators and staff for their financial partnership in this permanent structure that will serve not only these birds of prey but also any future raptors in need. The owl structure is expected to be completed by the end of 2020 with a dedication ceremony scheduled for early 2021.

2021 will also be special because we will be celebrating the 10-year anniversary of the Troy Nature Society taking over operations of the Stage Nature Center which occurred in July 2011.

Thank you to the City and taxpayers of Troy for their support this past year when our financial situation was challenged by the pandemic. Some of the biggest challenges we face going forward are primarily financial. Due to the continuing health directives from the state, county and city, we have been forced to significantly reduce many of our fundraising events including our annual Nature Uncorked gala and the Run/Walk for Nature event. Please consider ways you can financially support the nature center during this challenging time.

Finally, our Board of Directors welcomed a couple of newcomers to the Board this year. The new members come to us with plenty of plans and ideas, so make sure to visit the Stage Nature Center in 2021 to see this great, green asset in our community.

A handwritten signature in cursive script that reads "David Lambert".

David Lambert



## In The Beginning

Land for the Stage Nature Center (SNC) was originally purchased by the City of Troy in the 1970s and is located at 6685 Coolidge Hwy. in Troy, just south of South Blvd. At the time of acquisition, there was an older home on the property that was initially used as the nature center building. In 2002, the old structure was demolished and the current 8,200 square foot interpretive nature center building was constructed using funds received from a government grant to the City of Troy. This center for learning contains classrooms, a public research library, an observation bee hive, a wildlife viewing area and an exhibition lobby with a live reptile and amphibian display. The headwaters of the Rouge River flow through this unique 100-acre preserve. More than 145 plant and animal species may be viewed throughout the grounds. An outdoor play area features climbing boulders, and a paved path provides wheelchair access to the streamside forest. Within the nature center boundaries are two miles of trails, which pass through upland forest, meadows, streamside wetlands, cattail marsh and a Monarch Butterfly Way Station constructed in 2017.



In 2010, in response to the planned closure of the Stage Nature Center by the City of Troy, a small but devoted group of citizens came together to create the Troy Nature Society, a 501(c)(3) nonprofit organization. Members of the Board of Directors immediately began raising funds to support operations. The Society assumed management oversight of the nature center on July 1, 2011 and immediately began offering educational nature and science programs. This was a critical time in the transition of this valued community resource from city government to nonprofit management and funding. The Troy Nature Society sought members, volunteers and financial supporters to ensure our community would continue to enjoy the benefits of time spent in the out-of-doors. During the first fiscal year of operations, TNS provided services for 8,253 visitors, students and program participants.

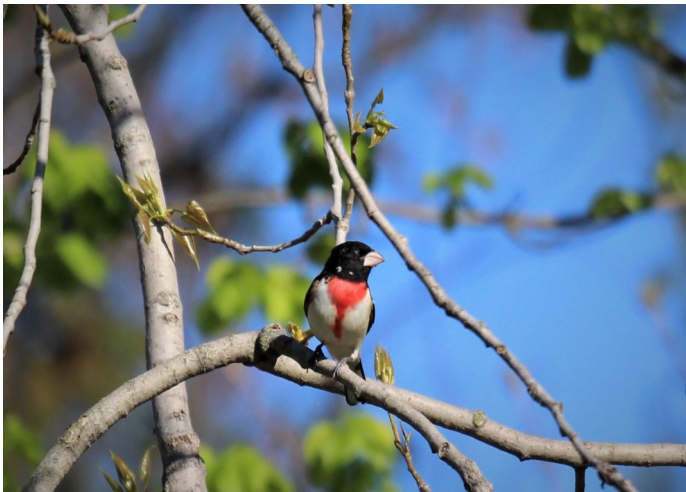


Photo credits Christina Funk



The family of Roger and Susie Kowalski provided an exciting addition to the nature center during the 2019 fiscal year. Roger and Susie's children along with their spouses provided the funds to build and dedicate a new outdoor pavilion in honor of their parents. Susie's passing in April 2019, left a large void in our hearts for this remarkable wife, mother, grandmother and community activist who had a special passion for the nature center. The Society is so appreciative for the construction of the Roger

and Susie Kowalski Pavilion that provides us with many venue options including the Annual Ice Cream Social Open House, space for Day Camp programs, rentals for wedding ceremonies, family reunions and casual group gatherings.

Activities at the nature center include public programs geared toward families, toddlers and senior adults. Additionally, we conduct programming for school and community groups along with guided nature walks and targeted school outreach nature studies. The preserve is a valuable community asset offering quiet retreat to solitary observers, couples, Scout groups, families, and school children who come to enjoy the natural beauty of the preserve. Many take the opportunity to capture photos of the wildlife for their own use and to enhance the Society's publicity materials.

The Society has seen tremendous growth across all program areas and performed diligently in financial stewardship since its founding in 2011. Though forced to discontinue programming for nearly four months during the pandemic, the Society still served more than 23,400 individuals attending programs and visitors enjoying the beauty of the preserve. During the fiscal year ended June 30, 2020, the organization:

- Conducted 59 school field trips/school outreach/organized group programs. These programs served a total of 3,415 students and Scouts who were provided with hands-on experience in nature.
- Conducted 189 public programs and events for children, adults and miscellaneous groups at the nature center. These programs served 4,885 individuals (ages two years old through senior adult) with age-appropriate programs and activities designed to enhance learning in a natural environment.
- Maintained a dedicated corps of 225 individuals who volunteered an amazing 3,467 hours in support of TNS programs, activities and initiatives. Comprising 98% of our work force, these devoted volunteers donated time and effort to help with such activities as: educational program assistance; trail maintenance and clean-up projects; the annual Maple Syrup event; fundraising events, blue bird monitoring; front desk reception and administrative support.
- Met its fundraising goal for the cost to construct a permanent residence for the five rehabilitated owls adopted in 2018. In partnership with the City of Troy, the Society along with its friends and supporters reached its financial goal of \$145,000 for the new structure. In October 2020 a groundbreaking ceremony for the owl enclosure was held. A dedication ceremony for the new structure will take place in the spring of 2021.





## Leadership

### Board Members

The Troy Nature Society is supported by volunteer Board members comprised of educators, administrators, those with backgrounds in wildlife preservation, environmental activism, business management, fundraising, marketing and finance. Financial support is a Board requirement for which 100% of the Society's Board Members comply. Board members serve on at least one of six board committees; Board Development, Financial Oversight, Fundraising, Educational Programming /Parks & Facility Management, Operations and Marketing & Communications. All members are involved in governance, policy oversight, strategic planning, fundraising and program development.



FY2021 Officers	FY2021 Board of Directors		
David Lambert – President Arnie D'Amore Braver – 1st Vice President Scott Hunter – 2nd Vice President Steven Sprague - Treasurer Rebecca Seguin-Skrabucha - Secretary	Dan Glombowski Smitha Haugen Paul Hoef Roger Kowalski	Alex Mattia Bill Ording Anna Romund Fran Stage	<i>Student Board Representatives</i> Noah Miko Chloe Pottenger Khushi Sharma

### Program Staff

The administration of the Society includes an Executive Director responsible for oversight and fundraising activities. Carla Reeb was hired in July 2012 with over twenty-five years nonprofit management experience. The Society has a Lead Naturalist and an Assistant Naturalist employed full time, both with extensive backgrounds in nature education: organizing, executing and evaluating educational nature and science programs. A Program Support Assistant provides administrative support for program staff along with acting as the organization's Volunteer Coordinator. Six program instructors are employed "as needed" along with a full-time Seasonal Intern to help support the many TNS educational programs as they are offered throughout the year. In 2015, the Society hired a part-time Accountant. Then in 2016, a part-time Marketing Specialist was hired to manage the organization's website and promote awareness of the organization's programs and activities through social media and the local press.

FY2021 TNS Staff	TNS Program Instructors
Carla Reeb – Executive Director Debra Williams – Lead Naturalist Christina Funk – Assistant Naturalist Louise McCormick-Glazier - Program Support Asst. Cindy Wymer - Accountant Neha Saigal – Marketing Specialist	Lori Brown Danielle Durham Linda Friedman Michelle Goyette Nancy Klein Miranda Roberts Sylwia Adamczyk - Seasonal Intern

### Volunteer Corps

The Society has a dedicated corps of 200+ volunteers. Comprising 98% of our work force, these devoted individuals, ages 14+, donate time and effort to help with such activities as: educational program assistance, trail maintenance, clean-up projects, Maple Syrup programming, fundraising events, blue bird monitoring, front desk reception and administrative support.

### Members

The organization currently has 200+ members supporting its mission. All membership revenues help underwrite the programs and activities of the Society. Membership benefits includes voting rights at the annual meeting and discounted fees when participating in certain TNS programs.

## Mission

Our overarching mission is to provide resources and education to inspire the appreciation and preservation of nature. Specifically, the objectives of the Society are to:

- Provide healthy outdoor experiences and educational activities for individuals of all ages
- Create an understanding of the value and necessity of stewardship of our natural environment
- Preserve and protect the Stage Nature Center for future generations

## Our Vision

The Troy Nature Society will become the exemplary community resource for nature education and preservation in the Troy area. We believe in making learning fun! While striving to achieve our vision, the Society will continue to assess our performance in the following areas:

### - Education

- Offer innovative programs developed from current research, national trends and community needs
- Provide a wide range of program offerings for people to view and interact with the natural environment
- Act as a resource to the community for nature related questions

### - Preservation

- Maintain and improve the Stage Nature Center
- Provide a physically safe, peaceful and well-maintained environment for visitors of the Stage Nature Center

### - Collaborative Relationships

- Cultivate relationships with community organizations
- Participate in the community as a forward thinking and challenging leader
- Develop a vibrant and involved support base
- Cultivate relationships with organizations having similar purposes

## Program Benefits

Along with providing educational programming, our nature center and its activities provide numerous benefits including:

- Natural features and spaces important to defining community image and distinctive character
- A facility that contributes to educational and cultural benefits
- Protection for important natural systems
- Active and passive recreational opportunities
- Healthy lifestyles enhancement by facilitating improvements in physical fitness through exercise, and also by facilitating positive emotional, intellectual and social experiences

## Non-Discrimination Policy

The Troy Nature Society affirms a policy of non-discrimination with regards to persons on the basis of race, religion, color, sex, gender, sexual orientation, gender identity, height, weight, marital status, sexual orientation, national origin, age, disability, genetic information, amnesty status, veteran status or any other basis protected by federal, state and/or local law. This policy shall pertain to staff, applicants, volunteers, members and guests.



Barton Malow Workday

# Making a Positive Difference In Our Community

## *Public Programs*

An extensive variety of educational nature and science programs is offered to the public on a year-round basis. These programs are geared for individuals of all ages - toddlers to senior adults and are designed to help children and adults increase their understanding and stewardship of our natural environment. We accomplish this by interpreting the natural world around us and acting as an educational resource in biology, ecology and natural history for all our students, young and old. Some of our most popular public programs include our various week-long Day Camps offered to reinforce children's learning experience during the summer months. Additionally we partner with such groups as Michigan DNR to provide classroom facilities for public outdoor education programs.



## *School / School Outreach Programming*

TNS offers educators a wide selection of science programs that meet public, private and home-schooled students' academic needs. Programs are developed to provide students with hands-on experience in nature and are designed to enhance the school's core curriculum. We utilize animal mounts, pelts, skulls, shells and other materials to ensure a first-class view of the world around us. School field trips held at the nature center engage participants in interactive nature and science experiences which include classroom instruction followed by a guided hike through the preserve. Beginning in the 2020-2021 school year, our program staff are offering educators nature programs convened virtually for their students. Based on the program chosen by the educator, some programs include educational kits that are provided to the teachers and distributed to students prior to the presentation. As the 2020-2021 school year proceeds, we expect our Instructors to visit the classrooms of local schools and bring in-person programming to students. We offer various outreach programs that fulfill the instructional and educational needs of the school. Just like the programs held at the nature center, all outreach programs are designed to enhance the school's core curriculum and include hands-on interaction with mounts, pelts and other biofacts.

## *Scouts/Groups*

As a support to organized troops and groups, we offer programs that meet requirements for members to come and complete their nature-related badge or achievement. Current programs include those geared toward Boy Scouts, Cub Scouts and Girl Scouts.

## *Live Owl Programming*

The Society offers opportunities for the public to meet live owls and learn about these fascinating birds of prey housed at the nature center. Additionally, the Society has developed educational programs featuring these Michigan owls for the public and other organized groups. Fees collected from the programs act as a source of revenue to support the feeding, care and medical expenses that is vital to the livelihood of these amazing rehabilitated raptors.

## *Family Nature Explorers*

This monthly program is offered year-round allows the whole family (parent and child) to participate in hands-on, outdoor experiences that inspire curiosity and create a connection to nature. A different nature topic is featured each month.

## *Maple Syrup Event*

March is a special time for the nature center and the families of our community. TNS holds its annual Maple Syrup Time for three consecutive Saturdays every March. This fun and educational family event is typically attended by nearly 1,000 guests who venture into the woods on a guided tour, visit an historic sugar camp to learn how maple trees are tapped and see for themselves how the sap is harvested. Participants learn about the ordinary effort it takes to make sap into maple syrup. This unique seasonal event receives extensive local television and media coverage every year.



## Public Awareness

TNS reaches out to our community through mailings, local distribution of brochures, public service announcements (PSAs), media events, TNS website, social media sites and participation in local community events to increase awareness of TNS. We also partner with the Troy Historical Village and other organizations serving similar populations.. Public program announcements are advertised quarterly in the city's premiere magazine "Troy Today" which is distributed to approximately 32,000 households and businesses quarterly.

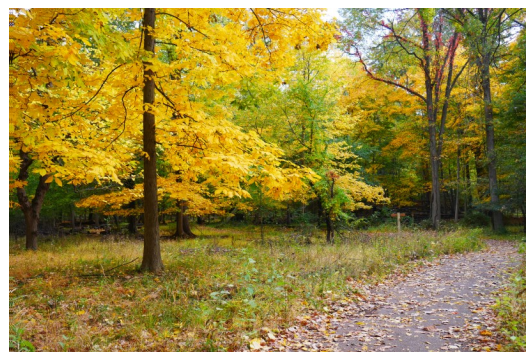


Photo credit Mara Stein

TNS school and school outreach program offerings are distributed annually to nearly 500 schools and school districts across the tri-county area. PSA's are distributed monthly to local papers to create community awareness of TNS programs, activities and volunteer opportunities which are also advertised on the organization's social media sites and website.

Additionally, the Executive Director and staff speak at local community groups throughout the tri-county area and provide programs to create awareness of sponsorship opportunities and programs offered at the nature center.

In August 2019, TNS held its eighth annual Ice Cream Social Open House Event. Over 600 people attended this community event where they were introduced to TNS, toured the exhibit hall, enjoyed ice cream sundaes and participated in family activities, crafts, a petting farm and guided trail walks.

### Program Attendance

ATTENDANCE TOTALS FOR FISCAL YEAR ENDED JUNE 30, 2020	
Group Visitations (Schools/Scouts/Senior Groups/Home School Groups)	1,404
Outreach Programs & Lectures	2,011
Structured Programs & Special Events	3,688
Birthday Parties (Educational)	598
Facility Rentals	599
Walk-In Visitations	15,540
<b>Grand Total</b>	<b>23,840</b>

### Program Evaluation

Post-program evaluations from pre-selected students participating in school programs are collected and tabulated. Educators also evaluate the program for academic effectiveness. Teacher comments provide both quantitative and qualitative information regarding the overall impact of programs along with providing direction for future programs that promote education, healthy lifestyles and good stewardship of our environment.

## Funding

Funding for the organization's programs and activities comes from individuals, foundations, local government, corporations, membership fees, program fees, fundraising events and facility rental fees. Contributors providing financial support at the \$500 level and above during the 2020 fiscal year include:

Automotive Authority, Inc.	Christal Lewandowski	St. Stephen's Episcopal Church
Janusz Bora	Larry and Joan Littman	Frances Stage
Dr. Karol Carter	William and Karen Ording	City of Troy
Jim and Shelly Green	Organization for Bat Conservation	Troy Community Lions Club
Coldwell Banker-Karen Greenwood	Papet-Westley & Associates, LLC	Troy Garden Club
Consumers Energy Foundation	Larry & Nancy Piotrowski	The Bill Watkins Family
Phillip & Elizabeth Filmer Trust	Plants For Ecology, LLC	Village Club Foundation
ITC Holdings, Inc.	Christopher Roberts	John and Nancy Youngerman
Roger Kowalski	Sedona Tap House	

In addition, we have a well established annual Wine and Beer Tasting fundraiser along with a 5K Run/Walk For Nature event initiated in 2018. Currently there are approximately 232 TNS Members proving financial support our programs and activities.

## Financials

In 2011, the society began operating the nature center under a two-year agreement with the City of Troy. The agreement called for approximately \$35,000 annually in city support of services, building maintenance and supplies for the nature center. In June 2017, the City of Troy renewed its operating agreement with the Society through the fiscal year 2027. In addition to the City of Troy services support of the nature center shown below, a \$150,000 financial investment was made to TNS in the 2020 fiscal year. With the support of our friends, in 2018 the Society established an Endowment Fund through the Troy Community Foundation (TCF). As of June 30, 2020 the TNS Endowment Fund is valued at \$18,776.

Revenue & Expenses	FYE 6/30/2019	FYE 6/30/2020
Donations & Grants	\$ 85,298	\$ 48,328
Fundraising Events	31,046	22,640
Membership Dues	9,245	9,333
Program Fees	66,311	37,288
City Investment*	<u>100,000</u>	<u>150,000</u>
<b>Total Revenue</b>	<b>\$ 291,900</b>	<b>\$ 267,589</b>
Wages & Payroll Taxes	193,627	206,343
Contract Services	550	490
Program Expenses	43,019	31,053
Administrative Expenses	<u>32,628</u>	<u>32,665</u>
<b>Total Expenses</b>	<b>\$ 269,824</b>	<b>\$ 270,551</b>

\*Figures do not include \$46,000/annually for other city services and supplies provided in support of maintaining the nature center.

## FREQUENTLY ASKED QUESTIONS

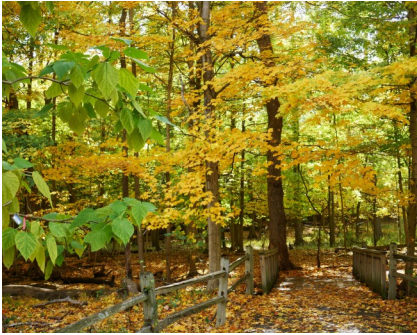


Photo credit Mara Stein

***How is the Society funded?*** TNS operates on contributions it receives from membership fees, foundation gifts, program fees, local government funding, corporations, individuals, community organizations, fundraising events and facility rentals.

***What kinds of programs does TNS offer at the nature center?*** High quality nature and science programs are offered year-round to the public, local schools along with programs for Scouts and other organization groups. All programs are offered for a minimal fee.

***How is the organization staffed?*** Currently, the organization employs an Executive Director who oversees operations and fundraising activities; a Lead Naturalist and Assistant Naturalist oversee all educational programming and six on-call program instructors assist with programs as they are scheduled. A Program Support Assistant provides support service for all programs and manages the recruiting, training and scheduling of volunteers. Additional part-time staff include an Accountant and Marketing Specialist.

***What types of volunteer help do you need?*** Individuals offer support in areas such as educational program assistance, various support committees, trail maintenance, trail clean-up projects, our annual maple syrup event, fundraising, blue bird monitoring, photography club, front desk help and administrative support.

***Is there a fee to visit the center?*** There is no fee to walk the trails or visit the nature center building with its exhibit hall which includes a mastodon dig, children's play area, research library, live amphibian and reptile display and observation bee hive. Donations are accepted and greatly appreciated.

***What are the hours of operation?*** Trails are open to the public daily year-round from dawn to dusk. The nature center's exhibit hall is open Tuesday through Friday from 9:00 am to 3:00 pm and Saturday 10:00 am to 4:00 pm and is also open when special programs or classes are offered. (Holidays excluded). The nature center's owls will be available for public viewing in their new permanent enclosure by the spring of 2021.



*The Stage Nature Center  
is managed by the  
Troy Nature Society (TNS),  
a non-profit organization*

Troy Nature Society  
P.O. Box 99302  
Troy MI, 48099  
PH: (248) 688-9703  
Fax: (248) 879-9241  
[www.stagenaturecenter.org](http://www.stagenaturecenter.org)



Photo credit Jessica Jenkins



**TROY NATURE SOCIETY**  
**FINANCIAL STATEMENTS**  
**Year Ended June 30, 2020**

# **TROY NATURE SOCIETY**

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## INDEPENDENT AUDITORS' REPORT

The Board of Directors  
Troy Nature Society  
Troy, Michigan

We have audited the accompanying financial statements of Troy Nature Center (a Michigan nonprofit organization), which comprise the statement of financial position as of June 30, 2020, and the related statements of activities and changes in net assets, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Troy Nature Center as of June 30, 2020 and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in black ink that reads "Jolita & Sazzone P.C." in a cursive, flowing script.

Macomb, Michigan  
December 9, 2020

# TROY NATURE SOCIETY

## STATEMENT OF FINANCIAL POSITION

June 30, 2020

### ASSETS

Current Assets:

Cash	\$ 145,607
Accounts Receivable	<u>-</u>

Total Current Assets \$ 145,607

Property and Equipment:

Office Equipment	4,178
Outdoor Equipment	<u>824</u>

Total Property and Equipment	5,002
Less Accumulated Depreciation	<u>(4,907)</u>

Net Property and Equipment 95

Other Assets:

Beneficial Interest in Assets Held at Community Foundation	<u>10,230</u>
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Total Other Assets 10,230

Total Assets \$ 155,932

## LIABILITIES

## Current Liabilities:

Accounts Payable	\$ 2,947
Accrued Payroll and Payroll Taxes	9,220
Deferred Revenue	<u>1,423</u>

Total Current Liabilities	\$ 13,590
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## Long-Term Liabilities:

Paychex Protection Plan Loan	<u>39,100</u>
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Total Liabilities	52,690
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## NET ASSETS

## Net Assets:

Without Donor Restrictions	13,046
With Donor Restrictions	<u>90,196</u>

Total Net Assets	<u>103,242</u>
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Total Liabilities and Net Assets	<u>\$ 155,932</u>
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See Independent Auditors' Report and Accompanying Notes.



**TROY NATURE SOCIETY****STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**

For the Year Ended June 30, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue:			
Program Fees	\$ 37,288	\$ -	\$ 37,288
Donations	13,810	34,518	48,328
Local Government Support	150,000	-	150,000
Fundraising Events	22,640	-	22,640
Member Dues	9,333	-	9,333
Net Assets Released From Restrictions	7,349	(7,349)	-
Total Support and Revenue	240,420	27,169	267,589
Expenses:			
Program Services	199,973	-	199,973
Management and General	52,633	-	52,633
Fundraising	17,945	-	17,945
Total Expenses	270,551	-	270,551
Increase/(Decrease) in Net Asset Before Other Income/(Expenses)	(30,131)	27,169	(2,962)
Other Income/(Expense):			
Interest Income	25	-	25
Total Other Income/(Expense)	25	-	25
Increase/(Decrease) in Net Assets	(30,106)	27,169	(2,937)
Net Assets - Beginning of Year	43,152	63,027	106,179
Net Assets - End of Year	\$ 13,046	\$ 90,196	\$ 103,242

See Independent Auditors' Report and Accompanying Notes.

**TROY NATURE SOCIETY****STATEMENT OF FUNCTIONAL EXPENSES**

For the Year Ended June 30, 2020

		Supporting Services		
	Program Services	Management and General	Fundraising	Total
Direct Expenses:				
Wages	\$ 21,502	\$ -	\$ -	\$ 21,502
Payroll Taxes	1,822	-	-	1,822
Bank Service Charges	586	-	-	586
Contract Services	490	-	-	490
Promotion	2,195	-	-	2,195
Program Supplies	3,913	-	-	3,913
Advertising	885	-	-	885
Transportation	894	-	-	894
Volunteer and Member Events	-	-	1,183	1,183
Fundraising Event Expenses	-	-	3,348	3,348
Total Direct Expenses	32,287	-	4,531	36,818
Indirect and General Expenses:				
General Wages	135,182	25,229	9,864	170,275
General Payroll Taxes	9,924	2,030	790	12,744
Computer	-	5,847	2,760	8,607
Office and Postage	-	3,293	-	3,293
Professional Fees	-	6,700	-	6,700
Insurance	-	3,174	-	3,174
General Promotion	273	-	-	273
General Program Supplies	17,251	-	-	17,251
Telephone and Internet	-	2,565	-	2,565
Donation	-	-	-	-
Depreciation	75	636	-	711
Owl Care and Feeding	4,981	-	-	4,981
Miscellaneous	-	3,159	-	3,159
Total Indirect and General Expenses	167,686	52,633	13,414	233,733
Total Functional Expenses	\$ 199,973	\$ 52,633	\$ 17,945	\$ 270,551

See Independent Auditors' Report and Accompanying Notes.

**TROY NATURE SOCIETY****STATEMENT OF CASH FLOWS**

For the Year Ended June 30, 2020

## Cash Flows from Operating Activities

Change in Net Assets	\$ (2,937)
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Adjustments to Reconcile Change in Net Assets to Net Cash Provided  
by (Used In) Operating Activities:

Depreciation Expense	711
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## (Increase) decrease in operating assets:

Accounts Receivable	1,662
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## Increase (decrease) in operating liabilities:

Accounts Payable	2,748
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Accrued Payroll and Taxes	1,377
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Deferred Revenue	<u>(8,596)</u>
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Net Cash Provided By (Used In) Operating Activities	<u>(5,035)</u>
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## Cash Flows from Financing Activities:

Proceeds From Paychex Protection Plan Loan	<u>39,100</u>
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Net Cash Provided By (Used In) Financing Activities	<u>39,100</u>
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Net Increase (Decrease) in Cash	34,065
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Cash - Beginning of Year	<u>111,542</u>
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Cash - End of Year	<u><u>\$ 145,607</u></u>
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See Independent Auditors' Report and Accompanying Notes.



## **TROY NATURE SOCIETY**

### **NOTES TO THE FINANCIAL STATEMENTS**

June 30, 2020

#### **Note 1 – Summary of Significant Accounting Policies**

##### Nature of Operations

Troy Nature Society (the Organization) is a non-profit corporation located in Troy, Michigan, that promotes the knowledge and appreciation of nature areas and wildlife among its citizens and school children. The Organization was formed to assume operational control of the Lloyd A. Stage Nature Center and surrounding reserve, which is owned by the City of Troy. The Organization develops and offers nature related public educational and school/group programs to children and families, school fieldtrip groups, scout troops, and senior citizen centers. The Organization also operates the Center, opening the building to the public on selected days and maintaining reserve trails. A nominal fee is charged for most of the educational and school/group programs. Other sources of income include local government support, donations, and fundraising events.

The City of Troy has entered into a contract with the Troy Nature Society that allows the Organization non-exclusive use of the Lloyd A. Stage Nature Center (See Note 5 – Contracts). The City of Troy still maintains oversight of the facility, including building maintenance, security, utilities, and custodial services.

##### Basis of Accounting

The Organization uses the accrual basis of accounting for reporting purposes. Accordingly, revenues are recognized when earned and expenses are recognized when incurred.

##### Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

##### Fair Value

The Organization's financial instruments consist principally of cash, accounts receivable, accounts payable, and long-term debt. The fair value of a financial instrument is the amount that would be received in an asset sale or paid to satisfy a liability. The Organization believes that the recorded values of their financial instruments approximate current fair values because of their market value, nature and relatively short maturity dates or durations.

See Independent Auditors' Report.

**TROY NATURE SOCIETY****NOTES TO THE FINANCIAL STATEMENTS**

June 30, 2020

**Note 1 – Summary of Significant Accounting Policies (Continued)**Financial Statement Presentation

In August 2016, the FASB issued ASU 2016-14, Not-for-Profit Entities (Topic 958): Presentation of Financial Statement of Not-For-Profit Entities. The revised guidance is intended to improve the financial reporting model for nonprofit organizations to provide better information to donors, creditors, and other users of financial information of nonprofit organizations. To achieve this goal, the ASU focuses on improving the current net asset classification requirements and information presented in financial statements and notes that are used to assess an organization's liquidity financial performance and cash flows. Effective July 1, 2018, the Organization adopted ASU 2016-14.

The Organization follows the Not-For-Profit Entities topic of the FASB Accounting Standards Codification with respect to financial statement presentation. Under this topic, the Organization is required to report information regarding its financial position and activities according to the two classes of net assets: net assets with donor restrictions and net assets without donor restrictions. The Organization has no net assets with donor restrictions

Cash and Cash Equivalents

The Organization maintains its cash investments with high credit quality financial institutions. The Organization maintains its cash balances in regular checking accounts.

Accounts Receivable – Program Fees

Accounts receivable are stated at the amount management expects to collect from outstanding balances. The Organization uses the allowance method to determine uncollectible accounts receivable. The allowance is based on experience and management's assessment of specific balances. At June 30, 2020 there was no allowance for doubtful accounts.

Prepaid Expenses

The Board of Directors has determined the Organization will no longer account for prepaid expenses as they are generally small dollar amounts. These prepaids will now be expensed as paid.

Pledges Receivable

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Conditional promises to give are not included as revenue until such time as the conditions have been substantially met. The Organization uses the allowance method to determine uncollectible pledges receivable. The allowance is based on past experience and management's analysis of specific promises made.

See Independent Auditors' Report.

**TROY NATURE SOCIETY****NOTES TO THE FINANCIAL STATEMENTS**

June 30, 2020

**Note 1 – Summary of Significant Accounting Policies (continued)**Inventory

As of June 30, 2020, the Nature Center Gift Shop was not open and had no inventory.

Property and Equipment

Property and equipment are stated at cost. The Organization capitalizes all expenditures for property and equipment in excess of \$350 and a useful life greater than one year. Accordingly, expenditures of this nature are expensed when purchased. Depreciation is provided over the estimated useful lives of the respective assets on a straight-line basis. Donations of property and equipment are recorded at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent of donor stipulations regarding how long these donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time.

Contributed Services

Donated services that require specialized skills and which the Organization would have paid for if not donated, are recorded as contributions at their fair value at the time the services are rendered. In addition, many individuals volunteer their time and perform a variety of tasks that assist the Organization, the value of which is not reflected in the financial statements as these services do not require specialized skills and are not readily valued.

In Kind Contributions

In-kind contributions of property and services are valued at the fair value of the contribution provided. For the year ended June 30, 2020 in kind contributions totaled \$198.

Functional Expenses

The costs of providing program and supporting services have been reported on a functional basis in the statement of functional expenses. Direct and indirect costs have been allocated between programs and general and administrative based on estimates from management. Although the methods of allocation used are considered appropriate, other methods could be used that would produce different amounts.

**TROY NATURE SOCIETY****NOTES TO THE FINANCIAL STATEMENTS**

June 30, 2020

**Note 1 – Summary of Significant Accounting Policies (continued)**Payroll Taxes

The Organization has elected to be a reimbursing employer for the purpose of state unemployment taxes and, in lieu of quarterly tax contributions, will be required to reimburse the state for any unemployment claims made. The Organization has obtained a surety bond as guarantee of payment under this program. Management believes that any potential liability for claims would be limited and has not recorded any unemployment claim liability as of June 30, 2020.

Advertising Expenses

Advertising cost are expensed at the time they are incurred. Advertising expense for the year ended June 30, 2020 was \$885.

Compensated Absences

The Organization does not accrue for compensated absences because the amount of the obligation cannot be reasonably estimated.

Tax Status

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been reflected in the Organization's financial statements. The Organization's tax returns are generally subject to examination by the Internal Revenue Service for a period of three years from the date they are to be filed.

**Note 2 – Permanently Restricted Net Assets And Other Endowments**

Permanently restricted net assets consisted of the following amounts at June 30, 2020:

Interest in perpetual endowment \$10,230.

The Organization transferred funds that represented certain permanently restricted net assets to North Woodward Community Foundation under a reciprocal transfer endowment agreement. As a practical expedient, the balance of permanently restricted net assets associated with these funds is adjusted to equal the carrying value of the endowed funds held by the North Woodward Community Foundation.

See Independent Auditors' Report.

# TROY NATURE SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

### Note 2 – Net Assets With Donor Restrictions And Other Endowments (Continued)

As part of the Organization's arrangement with the North Woodward Community Foundation, the North Woodward Community Foundation had provided matching funds for the benefit of the Organization. These assets are not reported on the statement of financial position since the North Woodward Community Foundation maintains variance power with respect to the assets provided by them for the benefit of the Organization. Total value of these assets as of June 30, 2020, totaled \$8,547.

### Note 3 – Concentrations of Credit Risk

The Organization derives virtually all its revenue from corporate and individual donations, fundraising events, and one local government. For the year ended June 30, 2020, 56% of the Organization's revenue was from one local government.

### Note 4 – Liquidity and Availability of Financial Assets

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligation come due.

The Organization's financial assets available within one year of the statement of financial position date for general expenditure are as follows:

Cash	\$145,607
Accounts Receivable	<u>-</u>
Total	<u>\$145,607</u>

### Note 5 – Contracts

In June 2017, the City of Troy approved an operational agreement with the Organization to operate the Lloyd A. Stage Nature Center, located in Troy, Michigan, effective July 1, 2017, which allowed the Organization non-exclusive use of the property. The agreement expires on June 30, 2027.

In conjunction with this agreement, the City of Troy provided an appropriation for organizational operations of \$150,000 for the June 30, 2020 fiscal year with consideration for annual appropriations each year thereafter as part of the City of Troy's annual budget process.

See Independent Auditors' Report.



**TROY NATURE SOCIETY****NOTES TO THE FINANCIAL STATEMENTS**

June 30, 2020

**Note 6 – Paycheck Protection Program Loan**

The Organization received a loan from PNC Bank in the amount of \$39,100 under the Paycheck Protection Program established by the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The loan is subject to a note dated May 7, 2020 and may be forgiven to the extent proceeds of the loan are used for eligible expenditures such as payroll and other expenses described in the CARES Act. No determination has been made as to whether the Company will be eligible for forgiveness, in whole or in part. The loan bears interest at a rate of 1% and is payable in monthly installments of principal and interest over 24 months beginning 6 months from the date of the note.

**Note 7 – Subsequent Events**

Subsequent to year end, in September 2020, the annual appropriations payment of \$100,000 was received from the City of Troy for the fiscal year ending June 30, 2021.

The current coronavirus pandemic has had an economic impact on the United States and the international community. While the Organization has not experienced a material adverse impact as of the date to these financial statements, the future impact, if any, cannot be determined.

The Organization has evaluated subsequent events through December 9, 2020, the date which the financial statements were available to be issued.

See Independent Auditors' Report.