



500 West Big Beaver  
Troy, MI 48084  
troymi.gov

## CITY COUNCIL AGENDA ITEM

Date: January 9, 2022

To: Mark F. Miller, City Manager

From: Robert J. Bruner, Assistant City Manager  
Brian Goul, Recreation Director

Subject: Troy Nature Society Financial Statements and Annual Report for Fiscal Year Ending 2022

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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 2022.

# 2 0 2 2 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.

6685 Coolidge Hwy, Troy, MI 48098

Ph: 248.688.9703

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



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

In 2010, a group of concerned citizens approached the Troy City Council about forming a nonprofit organization that would partner with the City of Troy and keep the Stage Nature Center open for the public. In July 2011, the Troy Nature Society contracted with the City of Troy to manage the programs and activities of our community's beautiful 100 acre preserve. We wish to extend a thank you to the Troy City Council, City management, and City staff for their continued partnership with the Troy Nature Society. The Troy Nature Society offers a variety of programs and events for people of all ages to participate in and learn about the natural world. By supporting our organization, the community helps ensure that these programs and events are available to help foster a love and appreciation for the natural world.

We are most thankful to our hard-working staff and volunteers who've managed educational programs for the children and adults of our community and region. They continue to work hard to expand educational programs for students of all ages.

We also wish to thank everyone who continue to provide financial support for the new home for our adopted owls. Visiting the owls is a must-see when you visit the Nature Center.

Here are some of the significant highlights from the past year:

- We received more than \$112,000 in grant funding from Oakland County in November 2021 for a complimentary Mindfulness project geared towards reducing the effects of stress and anxiety on individuals of our community due to the pandemic. Look for new permanent focus stations along the trails by spring that will be available for all to use in conjunction with mindfulness practices.
- Our 2022 fundraisers were very successful. The "Nature Uncorked Wine & Beer Tasting" event raised nearly \$35,000 and the "Run for Nature" event raised its highest amount to date, over \$13,000 in revenue for our programs and activities.
- We are delighted to see the return of school field trips to the Nature Center in 2022. Pre-pandemic, our staff served more than 6,000 students annually with nature and science programs that also encouraged good stewardship of our environment.
- The City of Troy is expected to begin an extensive four-year project to replace portions of the Stage Nature Center board walks that have exceeded their life expectancy.

Going forward, we are looking for new ways to raise funds to help maintain and improve our top-notch programming. Your membership and participation can help us expand our outreach to the local community.

Our Troy Nature Society Board of Directors welcomed some newcomers to the Board this past year. The new members come to us with plans and ideas for the future of the nature center.

Make sure to visit the Stage Nature Center in 2023 to enjoy this major, green asset in our community.



David Lambert

President, TNS Board of Directors



Photo credit, Mara Stein

## 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



Photo credit, Ed Morykwas

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 had one full time employee and provided services for 8,253 visitors, students and program participants.

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



Photo credit, Tina Catron

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 has been especially appreciative for the construction of the Roger and Susie Kowalski Pavilion since the start of the pandemic. The shelter provides us with many venue options including outdoor space for public and scouting programs, Day Camp programs, rentals for wedding ceremonies, family reunions along with 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. The Society served more than 27,000 individuals attending programs and visitors enjoying the beauty of the preserve during the fiscal year ended June 30, 2022. The organization:

- Conducted 78 school field trips/school outreach/organized group programs. These programs served a total of 3,923 students and Scouts who were provided with hands-on experience in nature.
- Conducted 270 public programs and events for children, adults and miscellaneous groups at the nature center. These programs served 6,972 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 4,412 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.
- In partnership with the City of Troy, the Society along with its friends and supporters reached its financial goal of \$145,000 to complete construction of a Raptor House. In June 2021, a dedication of the new enclosure for the five rehabilitated owls adopted in 2018 by the Society was held. The structure is home to these magnificent birds of prey and for any future raptors not able to survive for themselves in the wild. The public can view the owls daily in their permanent home from dawn to dusk.



Photo credit, Christina Funk

In November 2021, the organization was awarded \$112,360 in funds from Oakland County to support the TNS Mindfulness at Stage initiative. TNS staff, in conjunction with mental health care representatives from Beaumont Health, DMC Children's Hospital and Henry Ford Health have developed and are conducting nature-based mindfulness programming at the Stage Nature Center for individuals and family groups. During the project timeline, up to 1,440 individuals will participate in complimentary mindfulness programs designed towards reducing the effects of stress, anxiety, depression and isolation on individuals of our community attributed to the pandemic. Additional funding is being sought to continue this important complimentary program designed to increase the participant's awareness of nature-based mindfulness practices and its benefits to the participants' well-being.

## Leadership

### Board Members

The Troy Nature Society is supported by volunteer Board members comprised of educators, administrators, those with backgrounds in municipal governance, wildlife preservation, environmental activism, business management, fundraising, marketing, IT 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.

FY2023 Officers	FY2023 Board of Directors		
David Lambert – President Scott Hunter – 1st Vice President Vacancy - Treasurer Rebecca Seguin-Skrabucha - Secretary	Nicole Betzler Theresa Brooks Ben Funderburk	Dan Glombowski Paul Hoef Ernie McClellan	Bill Ording Fran Stage

### Program Staff

The administration of the Society includes an Executive Director responsible for oversight and fundraising activities 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" to help support the many TNS educational programs as they are offered throughout the year. Part-time staff include a Special Events Coordinator, Accountant, Marketing Specialist who manages the organization's website and promotes awareness of the organization's programs and activities through social media and the local press.

FY2023 TNS Staff	FY2023 TNS Program Instructors
Carla Reeb – Executive Director Debra Williams – Lead Naturalist Christina Funk – Assistant Naturalist Louise McCormick-Glazier - Program Support Asst. Michelle Goyette—Special Events Coordinator Cindy Wymer - Accountant Neha Saigal – Marketing Specialist	Lori Brown Genia Connell Danielle Durham Linda Friedman Nancy Klein Miranda Roberts

### 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

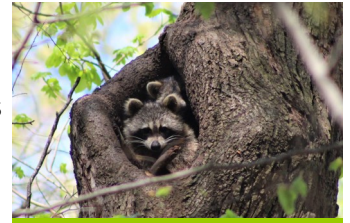


Photo credit, Christina Funk

## 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.



Photo credit, Carl Neuser

# 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.

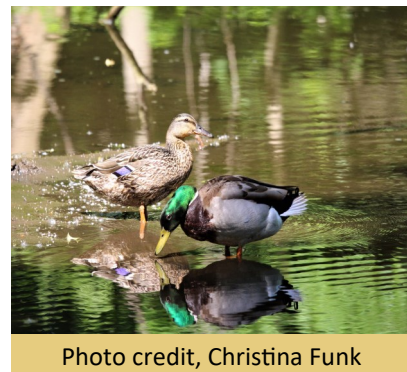


Photo credit, Christina Funk

## *School / School Outreach Programming*

As the 2022-2023 school year proceeds, educators are eagerly scheduling school field trips to the nature center for their students that were curtailed during the height of the pandemic. 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. Programs engage participants in interactive nature and science experiences which include classroom instruction followed by a guided hike through the preserve. We also 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 five fascinating birds of prey that act as the organization's Educational Ambassadors. Housed at the nature center's Raptor House, these special owls are the nature center's most popular live exhibit. 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 extraordinary 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 in the “Troy Rec”, the city’s premiere magazine which is distributed to approximately 32,000 households and businesses quarterly.



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 program 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.

### Program Attendance

ATTENDANCE TOTALS FOR FISCAL YEAR ENDED JUNE 30, 2022	
Group Visitations (Schools/Scouts/Senior Groups/Home School Groups)	1,927
Outreach Programs & Lectures	1,996
Birthday Parties (Educational) and Facility Rentals	6,972
Walk-In Visitations	16,121
<b>Grand Total</b>	<b>27,016</b>

Volunteers from  
Electrical Components International



Photo credit, TNS Staff

### Program Evaluation

Post-program quizzes from pre-selected students participating in school programs are collected and evaluated. Educators also provide important feedback on TNS programs 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 2022 fiscal year include:

Anonymous (2)	Dr. Inder Jit & Dr. Indra Saini	PNC Bank
Alpha Delta Kappa	Kelly Services	Ward Randol
AOE Sports	Roger Kowalski	Rossman, P.C.
Automotive Authority, Inc.	Kresge Foundation	Janaire Rowland
Dr. Karol Carter	Christal Lewandowski	Shawn Spearman
City of Troy	Meijer	Jeffery Swietlik
Coldwell Banker-Karen Greenwood	Mondrian Properties	TEZ Properties, LLC
Chris Davis	Oakland County-Oakland Together	Troy Community Foundation
William Davy	William and Karen Ording	Troy Community Lions Club
East Michigan Native Plant Sales	Plants For Ecology, LLC	Village Club Foundation
James Grice		John and Nancy Youngerman
Independent Bank		

In addition, we have a well established annual fundraisers including a Wine and Beer Tasting and a Run for Nature event. Currently there are approximately 225 TNS Members proving financial support our programs and activities.

## Financials

In 2011, the Society entered into an operating agreement with the City of Troy. The agreement calls for approximately \$46,000 annually in city support of services, building maintenance and supplies for the nature center. The current agreement with the City of Troy runs through the fiscal year 2027. In 2018, the Troy Nature Society established an endowment fund through the Troy Community Foundation. The fund is valued at \$19,284 as of June 30, 2022.

Revenue & Expenses	FYE 6/30/2021	FYE 6/30/2022
Donations & Grants	\$ 60,948	\$ 171,894
Fundraising Events	16,443	35,890
Membership Dues	10,892	11,247
Program Fees	40,666	70,492
In-Kind	44,617	11,890
Other (PPP)		35,434
City Investment*	100,000	100,000
<b>Total Revenue</b>	<b>\$ 273,566</b>	<b>\$ 436,847</b>
Wages & Payroll Taxes	187,475	226,721
Contract Services	0	25,985
Program Expenses	71,887	52,772
Administrative Expenses	53,522	37,861
<b>Total Expenses</b>	<b>\$ 312,884</b>	<b>\$ 343,339</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, Jim Timmer

***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 a Special Events Coordinator, 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 are available for public viewing in their permanent enclosure daily.



*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, Tina Catron

***All photos contained in this report were taken at the Stage Nature Center.***



# Troy Nature Society

## **Financial Report**

**June 30, 2022**

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## **Independent Auditor's Report**

To the Board of Directors of  
Troy Nature Society

### ***Opinion***

We have audited the accompanying financial statements of Troy Nature Society (a nonprofit organization), which comprise the statement of financial position as of June 30, 2022, 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Troy Nature Society as of June 30, 2022, 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.

### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Troy Nature Society and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Troy Nature Society's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.



- Obtain an understanding of internal control relevant to the audit 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 Troy Nature Society's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Troy Nature Society's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

*Zerbo Consulting Group, P.C.*

October 31, 2022

## Statement of Financial Position

As of June 30, 2022

**Assets****Current Assets**

Cash and cash equivalents	\$ 146,589
Accounts receivable	28,090
Total Current Assets	<u>174,679</u>

**Property and Equipment**

Office equipment	4,178
Outdoor equipment	824
Total Cost	<u>5,002</u>
Less accumulated depreciation	<u>(5,002)</u>
Property and Equipment - Net	-

**Other Assets**

Beneficial Interest in Assets Held at Community Foundation (Note 2)	<u>19,284</u>
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Total Assets	<u><u>\$ 193,963</u></u>
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**Liabilities and Net Assets****Current Liabilities**

Accounts payable	\$ 8,863
Accrued payroll and payroll taxes	9,436
Deferred revenue	<u>9,685</u>
Total Current Liabilities	27,984

**Net Assets**

Without donor restrictions	
Undesignated	23,074
Board Designated (Note 2)	10,230
With donor restrictions (Note 2)	<u>132,675</u>
Total Net Assets	<u>165,979</u>

Total Liabilities and Net Assets	<u><u>\$ 193,963</u></u>
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## Statement of Activities and Changes In Net Assets

Year Ended June 30, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenue and Other Support</b>			
Program activities	\$ 70,492	\$ -	\$ 70,492
Donations and grants	38,735	133,159	171,894
Local government support (Note 3)	100,000	-	100,000
Fundraising events	35,890	-	35,890
Membership	11,247	-	11,247
In-kind (Note 7)	11,890	-	11,890
Other income (Note 5)	35,434	-	35,434
Net assets released from restrictions	66,177	(66,177)	-
Total Revenue and Other Support	<u>369,865</u>	<u>66,982</u>	<u>436,847</u>
<b>Operating Expenses</b>			
Program activities	263,110	-	263,110
Management and general	53,018	-	53,018
Fundraising	27,211	-	27,211
Total Expenses	<u>343,339</u>	<u>-</u>	<u>343,339</u>
<b>Change in Net Assets</b>	26,526	66,982	93,508
<b>Net Assets - Beginning of year</b>	<u>6,778</u>	<u>65,693</u>	<u>72,471</u>
<b>Net Assets - End of year</b>	<u><u>\$ 33,304</u></u>	<u><u>\$ 132,675</u></u>	<u><u>\$ 165,979</u></u>



# Statement of Functional Expenses

Year Ended June 30, 2022

	Program Activities	Management and General	Fundraising	Total
Salaries and wages	\$ 171,307	\$ 25,754	\$ 13,548	\$ 210,609
Payroll taxes	13,046	2,055	1,011	16,112
Contracted services	25,985	-	-	25,985
Bank service charges	1,246	1,817	-	3,063
Computer	-	864	3,164	4,028
Office and postage	-	4,657	-	4,657
Supplies	18,114	-	-	18,114
Advertising and promotion	463	-	-	463
Professional Fees	-	7,650	-	7,650
Insurance	-	4,364	-	4,364
Telephone and internet	-	2,853	-	2,853
Owl care and feeding	6,838	-	-	6,838
Events	-	-	9,488	9,488
Transportation	3,602	-	-	3,602
In-kind	22,509	-	-	22,509
Miscellaneous	-	3,004	-	3,004
Total Expenses	<b>\$ 263,110</b>	<b>\$ 53,018</b>	<b>\$ 27,211</b>	<b>\$ 343,339</b>

## Statement of Cash Flows

Year Ended June 30, 2022

**Cash flows from Operating Activities:**

Change in net assets	\$ 93,508
Adjustments to reconcile change in net assets to net cash from operating activities:	
Net unrealized loss on beneficial interest in assets held at Community Foundation	4,954
Forgiveness of Paycheck Protection Program Loan	(40,380)
Changes in operating assets and liabilities that provided (used) cash:	
Accounts receivable	(28,090)
Accounts payable	3,974
Accrued liabilities	(1,233)
Deferred revenue	2,125
Net cash provided by operating activities	34,858

**Net increase in cash and cash equivalents** 34,858

**Cash and cash equivalents - Beginning of year** 111,731

**Cash and cash equivalents - End of year** \$ 146,589

June 30, 2022

## **Note 1 – Nature of Activities and Significant Accounting Policies**

### ***Organization***

Troy Nature Society (the Organization) is tax exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code as an organization that is not a private foundation. The Organization's mission is to provide resources and education to inspire the appreciation and preservation of nature. The Organization's objectives include providing healthy outdoor experiences and educational activities for individuals of all ages, creating an understanding of the value and necessity of stewardship of the natural environment, and the preservation and protection of the Lloyd A. Stage Nature Center (the Center) located in Troy, Michigan, for future generations.

The City of Troy has a contract with the Organization that allows the Organization non-exclusive use of the Center. The City of Troy maintains oversight of the facility, which includes building maintenance, security, utilities, and custodial services. See Note 3.

### ***Nature of Activities***

The Organization develops and offers nature-related public educational programs to children and families, school fieldtrips, scout troops, and senior citizen centers. The Organization operates the Center and maintains the accompanying reserve trails, which are available to the public on specific days. Fees are charged for most educational and group-taught programs. Other sources of income include local government support, donations, and various fundraising events.

### ***Basis of Presentation***

The Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed there by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Net assets with donor restrictions are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, such as those that the donor stipulates that resources be maintained in perpetuity.

### ***Use of Estimates***

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

### ***Cash and Cash Equivalents***

For purposes of the statement of cash flows, highly liquid investments with maturities of three months or less when purchased are considered cash equivalents and recorded at cost, which approximates fair value.

**Note 1 – Nature of Activities and Significant Accounting Policies (Continued)*****Property and Equipment***

Property and equipment is carried at cost or, if donated, at fair market value at the time of donation. Depreciation is provided on a straight-line basis over the estimated useful lives of 3 to 27.5 years. The Organization's policy is to capitalize acquisitions of \$350 or more. For the year ended June 30, 2022, all property and equipment were fully depreciated and depreciation expense was \$0.

***Contribution Revenue***

Contributions of cash and other assets, including unconditional promises to give in the future, are reported as revenue when received and are measured at fair value. Contributions that are restricted by the donor are reported as an increase in net assets without donor restriction if the restriction expires in the reporting period in which the contributions are recognized. Contributions with donor-imposed time or purpose restrictions are reported as support with donor restrictions. All other contributions are reported as support without donor restrictions.

Unconditional promises to give with payments due in future periods are assumed to have an implicit time restriction. Those restrictions are released as contributions when collected or when allocations or grants are made to recipient organizations based on those future collections. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. There were no conditional promises to give recognized as of June 30, 2022.

***Concentrations of Credit Risk***

The Organization derives most of its revenues from local government support, donations, and various fundraising events. For the year ended June 30, 2022, local government support was approximately 23% of total revenues.

***Functional Allocation of Expenses***

Costs of providing the program, management and general, and fundraising services have been reported on a functional basis in the statement of functional expenses. The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses required allocation on a reasonable basis that is consistently applied. Depreciation is allocated on the basis of the program or support service that uses the fixed asset. Costs have been allocated between the various programs and support services based on estimates determined by management. Although the methods of allocation used are considered appropriate, other methods could be used that would produce different amounts.

***Subsequent Events***

The financial statements and related disclosures include evaluation of events up through and including October 31, 2022, which is the date the financial statements were available to be issued.

**Note 2 – Endowment Funds with North Woodward Community Foundation and Fair Value Measurement*****Endowment Funds with North Woodward Community Foundation***

Effective March 29, 2018, The Organization is the beneficiary under an agency endowment agreement with the North Woodward Community Foundation (the Community Foundation) by a reciprocal transfer of funds to the Community Foundation. The Community Foundation has the power to retain, invest, and reinvest the assets of the endowment to further the charitable or other exempt purposes of the Organization.



June 30, 2022

**Note 2 – Endowment Funds with North Woodward Community Foundation and Fair Value Measurement (Continued)**

The Community Foundation also has variance power over the endowment in that the Community Foundation's principles and procedures for advised funds provide that the commitments, grants, or expenditures from the funds shall be made to the Organization at such time or times and in such amount or amounts as determined by the Community Foundation. The Organization is the Community Foundation's sole beneficiary. If the Organization ceases to exist or no longer performs its functions under the provision of the agreement, the Community Foundation shall continue to administer and disburse fund assets in a manner deemed appropriate.

The agency funds are included as beneficial interest in assets held on the Statement of Financial Position of the Organization. At inception of the agreement, the Organization transferred \$10,230 of the Organization's net assets without donor restrictions that were approved by the board of directors to be transferred to the Community Foundation for endowment purposes. The Community Foundation also provided matching funds as a related donor and for the benefit of the Organization upon inception. Investment income of the fund, net of expenses, and any net realized and unrealized gains and losses are included in Other Income in the Statement of Activities and Changes in Net Assets.

The Organization may from time to time submit to the Community Foundation recommendations regarding specific purposes or amounts for distributions to the Organization. All recommendations from the Organization are to be advisory, and the Community Foundation may accept or reject them, applying reasonable standards and guidelines with regard thereto.

***Fair Value Measurement***

The Organization reports the fair value of the endowment fund as the Beneficial Interest in Assets Held in Community Foundation on the Statement of Financial Position.

Accounting standards require certain assets and liabilities be reported at fair value in the financial statements and provide a framework for establishing that fair value. The framework for determining fair value is based on a hierarchy that prioritizes the inputs and valuation techniques used to measure fair value.

The following table presents information about the Organization's assets measured at fair value on a recurring basis at June 30, 2022 and the valuation techniques used by the Organization to determine those fair values.

Fair values determined by Level 1 inputs use quoted prices in active markets for identical assets that the Organization has the ability to access.

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets in active markets and other inputs, such as interest rates and yield curves, that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset. These Level 3 fair value measurements are based primarily on management's own estimates using pricing models, discounted cash flow methodologies, or similar techniques taking into account the characteristics of the asset.

In instances whereby inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Organization's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

## Notes to Financial Statements

June 30, 2022

**Note 2 – Endowment Funds with North Woodward Community Foundation and Fair Value Measurement (Continued)**

The following table presents information about the Organization's assets measured at fair value on a recurring basis at June 30, 2022:

	Assets Measured at Fair Value on a Recurring Basis at	
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Balance at June 30, 2022
Beneficial interest in assets held at North Woodward Community Foundation:		
Cash and cash equivalents	\$ 661	\$ 661
Fixed income securities	4,221	4,221
Equity securities	14,402	14,402
Total beneficial interest at fair value	<u>\$ 19,284</u>	<u>\$ 19,284</u>

The Organization reports changes in endowment fund value as gains or losses on the Statement of Activities and Changes in Net Assets. Changes in the endowment for the year ended June 30, 2022 are as follows:

Balance as of July 1, 2021	\$ 24,238
Net realized/unrealized loss	(4,954)
Balance as of June 30, 2022	<u>\$ 19,284</u>

For the year ended June 30, 2022, as a practical expedient, \$10,230 transferred by the board of directors upon agreement inception is classified in net assets without donor restrictions – board designated while the remaining fair value of \$9,054 is recorded in net assets with donor restrictions on the Statement of Financial Position.

**Note 3 – City of Troy**

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 allows the Organization non-exclusive use of the property. The agreement expires on June 30, 2027.

In conjunction with this agreement, the City of Troy includes the Organization in its annual budget within the City's Park and Recreation Department for building and ground routine maintenance as well as an annual appropriation for Organization operations. For the year ended June 30, 2022, the City of Troy provided the Organization with an appropriation for organizational operations in the amount of \$100,000.

The appropriation in the amount of \$100,000 is recorded as Local Government Support on the Statement of Activities and Changes in Net Assets for the year ended June 30, 2022.

**Note 4 – Owl Fund**

The Organization supports and cares for five owls, and the Owl Fund supports owl related expenses including but not limited to owl food, veterinary care, and routine habitat maintenance. The Owl Fund donations totaled \$10,349 for the year ended June 30, 2022, which is approximately 6% of Organization donations. Owl Fund donations are included within Donations with donor restrictions on the Statement of Activities and Changes in Net Assets.

June 30, 2022

**Note 5 – Other Income**

On January 30, 2020, the World Health Organization (“WHO”) announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the “COVID-19 outbreak”) and the risks to the international community as the virus spread globally beyond its point of origin. On March 11, 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

As a result of the COVID-19 outbreak, the Organization was eligible for its second Paycheck Protection Program Loan dated February 1, 2021 in the amount of \$40,380. The Organization used its second Paycheck Protection Program Loan on qualifying expenses during the applicable covered period, and the Loan was forgiven by the Small Business Administration on February 18, 2022.

Based on the Loan forgiveness received, the Organization’s second Paycheck Protection Program Loan is recognized within Other Income on the Statement of Activities and Changes in Net Assets for the year ended June 30, 2022.

**Note 6 – United Way of Southeast Michigan Grant**

In December of 2021, the United Way of Southeastern Michigan (UWSEM) granted the Organization \$112,360 to improve the overall quality of life for people of Southeastern Michigan. The Organization created the Mindfulness at Stage program, which is a unique program designed to provide a variety of nature-based guided mindfulness activities and resources to support mental wellbeing. The Organization recognizes this grant as an unconditional contribution as UWSEM has not received a direct benefit of commensurate value and there are no barriers to overcome before the Organization is entitled to the transfer of assets. The grant is recognized within Donations and Grants with donor restrictions on the Statement of Activities and Changes in Net Assets for the year-ended June 30, 2022.

**Note 7 – In-kind Donations**

The Organization received various in-kind donations for its wine tasting fundraiser, Nature Uncorked, held in November 2021. The in-kind donations were used at the fundraiser, and there were no donor-imposed restrictions associated with the contributed non-financial assets. Fair value of the contributed non-financial assets was determined based on the market value cost of a given item. In-kind donations for the year-ended June 30, 2022 are as follows:

Description	Value
Vendor food and beverages (including bottles of wine, beer, and food)	\$ 4,395
Silent auction Items (various items including but not limited to gift baskets and gift cards)	7,495
Total	<u>\$ 11,890</u>

**Note 8 – Liquidity and Availability of Financial Resources**

The Organization has \$174,679 of financial assets available within one year of the statement of financial position date to meet cash needs for general expenditure consisting of cash and cash equivalents and accounts receivable. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the statement of financial position date with the exception of funds to be used for Organization programs and funds as described in Note 2. The Organization has a goal to maintain financial assets, which consist of cash and cash equivalents and accounts receivable, on hand to meet 60 days of normal operating expenses, which are, on average approximately \$58,000. The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.