



NORTH OAKLAND HEADWATERS LAND CONSERVANCY

2011 Annual Report

The North Oakland Headwaters Land Conservancy (NOHLC) is a private, non-profit, member supported organization with 40 years experience in preserving open space in northwest Oakland County. Over 1,100 acres have been preserved, with parcels ranging from 1/2 acre to over 100 acres

NOHLC's mission is to conserve the woods, fields, streams and other natural resources in the headwaters area of the Clinton, Shiawassee, Huron and Flint Rivers.

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INTRODUCTION

Dear Members,

2011 proved to be a challenging yet exciting year for NOHLC. Among your Conservancy's many accomplishments was the submittal of NOHLC's application for accreditation, the resolution of a major organizational incorporation issue and the acquisition of a \$100,000 grant to protect a 250-acre camp in Rose Township. NOHLC also assisted Oakland County Parks with finalizing the acquisition of Upper Bushman Lake in Independence Township, and is moving through the preliminary stages of several other potential conservation opportunities.

Your Conservancy is poised to enter its 40th year of protecting land stronger than ever. Improved policies and procedures, outstanding Board involvement and a strengthened violations resolution process will allow NOHLC to increase the pace of new conservation in 2012 while fortifying the protection of properties already under our care.

None of this would be possible without our many dedicated members and volunteers. We thank you for your continued support, and welcome any questions, comments or concerns you may have.

Yours in conservation,

A handwritten signature in black ink that reads "Susan Julian". The signature is written in a cursive style and is enclosed in a thin black rectangular border.

Susan Julian, Board President

2011 NOHLC BOARD OF DIRECTORS AND STAFF

Administrative Associate

Penny S. Mason

Board President

Susan Julian

Vice President

Chris Benedict

Secretary

Cory Johnston

Treasurer

Paul Gambka

Past President

Jim Pistilli

Directors

Mary Blanchard
William S. Edwards
Kirk Falvay
Chet Koop
David McCarty
Paul Rabaut
Dan Stencil
Collin Walls

Performance Auditors

Jim Reed
Dr. Thomas K. Stone
Sue Topping

Events Coordinator

Susan Jones

SUMMARY OF ACTIVITIES

1. New Protected Properties

- a. Schwartz Preserve, Groveland Township: The 13-acre Schwartz Preserve was donated as a life estate in 1999 and NOHLC took possession of the property with the Schwartz's passing in 2011. Because the property's conservation values are protected in perpetuity by a conservation easement, and due to the burdensome expense involved with maintaining the property's residence, NOHLC decided to sell the property and maintain the easement. The sale's proceeds will be used to bolster NOHLC's Legal Defense Fund, Land Acquisition Fund and Fred Roeser Stewardship Fund, significantly strengthening NOHLC's ability to protect current and new properties.
- b. Camp Wathana, Rose Township: NOHLC made significant progress toward the purchase of a conservation easement on a 250-acre Campfire USA camp in Rose Township. For the easement's purchase, NOHLC has been awarded a \$100,000 matching grant from the Carl's Foundation. With \$75,000 of the required match already pledged by neighboring property owners, NOHLC will embark on a capital campaign in cooperation with Camp Wathana to raise the remaining \$25,000 and beyond by the end of September 2012.
- c. Hall's Connector Easement, Independence Township: In November 2011, Thomas and Lorraine Hall donated a new easement to NOHLC. With this donation, the Halls and NOHLC have now successfully collaborated on seven easements, ensuring the protection in perpetuity of one of northern Oakland County's most beautiful locations. In 2012 NOHLC will work with the Halls to combine the seven easements into one, protecting the forested high point north of Clarkston.
- d. Thread Creek Farm, Grand Blanc: With the transfer from Legacy Land Conservancy, NOHLC completed the acquisition of a conservation easement on Thread Creek Farm, a 135-acre working agricultural operation in Genesee County. Donated by Mike and Ginny Knag, this easement protects a variety of valuable ecosystems and habitats, including the headwaters of Thread Creek, which flows into the Flint River.

2. Accreditation

In November 2011, NOHLC submitted its application to become accredited by the Land Trust Alliance, a national organization working to strengthen the ability of local land trusts to preserve land. Gaining status as an accredited land trust signifies to potential partners, donors and other stakeholders that NOHLC operates under the highest of ethical principles with sound, effective practices. Two grants from Advancing Conservancy Excellence, a program of Heart of the Lakes Center for Conservation Policy, aided NOHLC in organizing its records and accountability procedures.

Throughout the nearly two-year long process of application preparation, NOHLC staff, Board and volunteers labored tirelessly to develop and implement policies and procedures that provide improved efficiency and accountability in all areas of operation. Everyone involved with the accreditation effort emerged with an in-depth understanding of industry-best standards and practices, an improved familiarity with NOHLC's inner workings and far greater appreciation of its history and those who have successfully guided the organization for 40 years. Special thanks go to consultant Celeste Rabaut, whose contributions and efforts went far beyond what she signed up for in leading the accreditation team.

3. Stewardship

Conserving land is not accomplished by merely acquiring a property or easement; NOHLC's has an obligation to steward the properties under its care, maintaining their conservation values in perpetuity. This means monitoring its properties at least annually, maintaining or restoring features and ecological functions and addressing any actions which violate agreements or harm conservation values.

In 2011, the Stewardship Committee and volunteer property inspectors continued their long-standing commitment to conservation, achieving three straight years of successfully monitoring each NOHLC property. Kieft Engineering was engaged to survey selected properties where boundaries were in question, and a Violations Sub-Committee was formed to better handle infringements. The Stewardship Committee has also been heavily

involved with the Camp Wathana project, and their efforts were paramount in preparing the Schwartz Preserve for sale.

4. Staff

In early 2011, NOHLC amicably accepted the resignation of Executive Director Katie Anderson. To bolster NOHLC's financial situation, the Board of Directors elected not to fill the position immediately, and have since April operated with Administrative Associate Penny Mason as the sole half-time employee. The bulk of Executive Director duties have been carried out by the Board President, with other Board members and volunteers also contributing substantially. In addition, Susan Jones accepted a volunteer role as Events Coordinator, and, among other events, was instrumental in facilitating a successful 2011 Wild Night Out. NOHLC is currently evaluating future staffing needs and options.

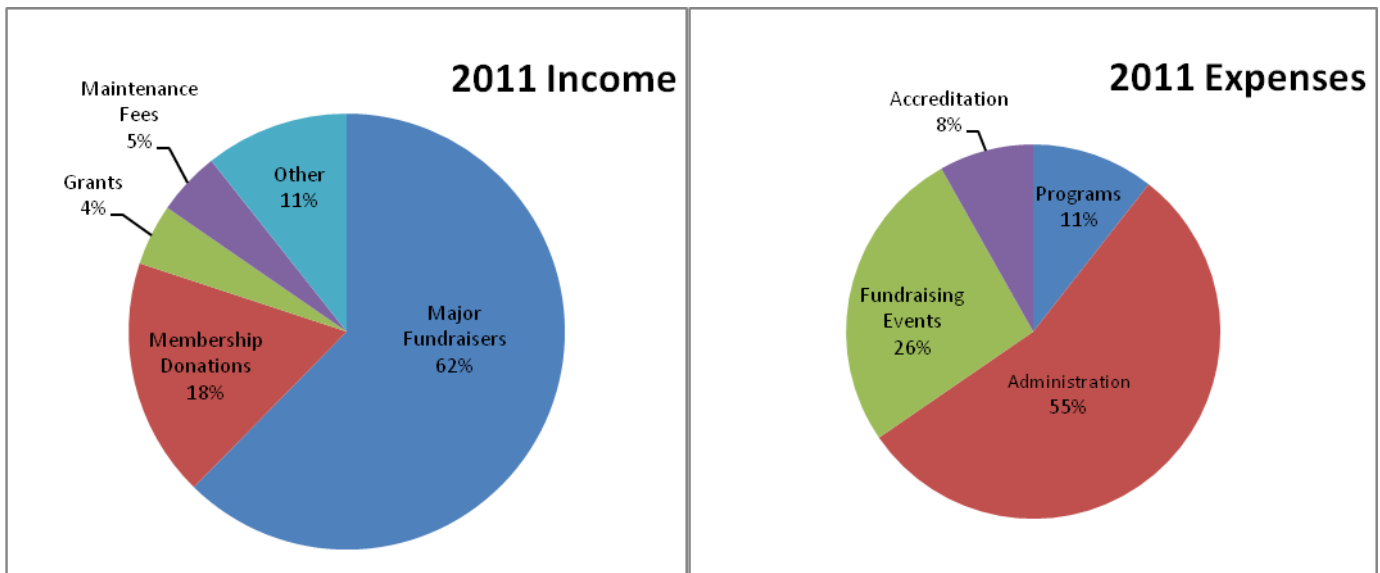
5. Change in Organizational Status

In April 2011, NOHLC received word from the Attorney General's office that our Restated Articles of Incorporation were accepted. Revised and updated By-Laws were passed by the Board in June. The mission of the organization remains the same. The Conservancy is now incorporated as a 501(c) (3) nonprofit organization under Michigan's Domestic Non-Profit Corporation statute, as are the other land conservancies in Michigan, and does business throughout the headwaters region. New regulations in nonprofit law necessitated a change from membership voting to a directorship organization. A Membership Advisory Committee was established to ensure membership's voice is heard. Current organizational documents are available on our website at www.nohlc.org or by request.

FINANCIAL CONDITION OF THE CORPORATION

As with most organizations both public and private, 2011 certainly provided daunting economic challenges for NOHLC. However, a significant reduction in staff costs, reduced administrative expenses and two successful fundraising events allowed NOHLC to end the year under-budget, with a positive outlook for 2012 and beyond. The anticipated sale of the Schwartz Preserve allows NOHLC to significantly bolster its Legal Defense Fund, ensuring the ability carry out the organization’s mission—and meet federal requirements—to defend and maintain the conservation values of the properties under our care.

NOHLC also implemented several policies designed to increase funding for Stewardship, Legal Defense and Land Acquisition, and the Finance Committee reformatted the Annual Budget to provide better clarity and accountability in tracking revenues and expenditures. The Board also passed a Five Year Funding Plan to guide the organization’s financial and fund development activities in the coming years. NOHLC begins 2012 in search of a new Treasurer (with Collin Walls serving as interim Treasurer), having accepted the resignation of Paul Gambka after five years of dedicated service.



ESTIMATION OF VOLUNTEER HOURS/IN-KIND CONTRIBUTIONS

Total Hours—Stewardship:	500	In-kind value:	\$10,000
Total Hours—Land Acquisition:	150	In-kind value:	\$ 3,000
Total Hours—Accreditation:	800	In-kind value:	\$16,000
Total Hours—Office Administration:	1,200	In-kind value:	\$15,000
Total Hours—Fundraising Events	<u>250</u>	In-kind value:	<u>\$ 5,000</u>

TOTAL: 2,900

\$49,000.00

LIST OF ALL PROPERTIES AND INTEREST IN PROPERTIES

- | | | |
|-------------------------------|-------------------------------|-----------------------|
| 1. Waterford Hills | 25. Bald Eagle Lake | 49. Tully Lake |
| 2. Cedar Park I | 26. Pine Knob Country Estates | 50. Long Lake Village |
| 3. Schmude Sanctuary | 27. Schwartz Preserve | 51. Oakland Hill II |
| 4. Poquosin I | 28. Haddon Nursery | 52. Gill Landing |
| 5. Poquosin II | 29. Oakland Crest | 53. Thread Creek Farm |
| 6. Steeple Ridge | 30. Bailey Preserve | 54. Hall's Connector |
| 7. Old Sturbridge | 31. Hummingbird Ridge | |
| 8. Whipple Tree | 32. Whipple Lake | |
| 9. Nolta-Brennan | 33. Liberty | |
| 10. Kimball Sanctuary | 34. Thomson Preserve | |
| 11. Keller | 35. Hidden Ridge | |
| 12. Cranberry Lake | 36. Ingomar Farms | |
| 13. Robert Shell Fen | 37. Victoria Preserve | |
| 14. Oakhill | 38. Dixie Preserve | |
| 15. Deerwood Hollow | 39. Princeton Preserve | |
| 16. Village Park | 40. Rattalee Shores | |
| 17. Heather Haven | 41. Forest Pointe | |
| 18. Round Lake | 42. Clarkston Woods | |
| 19. Voorheis-Beardsley | 43. Davis Lake Overlook | |
| 20. Bridge Valley Reserve | 44. Eaton Wet Meadow | |
| 21. Oakland Hill | 45. Holly Lakeview | |
| 22. Cedar Park II | 46. Hall's Preservation | |
| 23. Springfield Nature | 47. Campbell Easement | |
| 24. Suzanne G. Knorr Preserve | 48. Waterworks Wetlands | |

NATURE AND PURPOSE OF LEASES

NOHLC has not leased any of its property or property interests in its 40 year existence.

NOHLC does sublet the office within its leased office space at the Springfield Township Civic Center.
The office is sublet to the Oakland Conservation District.

PLAN FOR 2012 ACTIVITIES

The Annual Plan for 2011 is attached, and includes a review of the progress made toward achieving its goals. An updated Plan for 2012 is under development. The Board of Directors will work toward approval of the 2012 Annual Plan at its February 6 meeting.

North Oakland Headwaters Land Conservancy
2011 Annual Plan

Strategic Priority One: Funding

Goal: Ensure a positive financial position for the Conservancy in 2011

Strategic Priority Two: Increase Organizational Capacity

Goal: Ensure corporate structure (Staff and Board) is organized and resourced

Strategic Priority Three: Insure Compliance with Laws

Goal: Review and revise corporate structure to insure alignment with mission and applicable federal and state laws.

Strategic Priority Four: LTA Accreditation

Goal: Apply for accreditation with LTA by August 2011

Strategic Priority Five: Prepare to Increase the Pace and Quality of Conservation

Goal: Based on the Strategic Conservation Plan, prioritize NOHLC resources and engage stakeholders to resume new preservation in 2011.

Strategic Priority Six: Manage current holdings for permanent protection of their conservation values.

Goal: Improve NOHLC stewardship practices according to LTA standards.

North Oakland Headwaters Land Conservancy
2011 Annual Plan

Strategic Priority One: Funding

Goal: Ensure a positive financial position for the Conservancy in 2011

Objectives and Action Plans	Status
OBJECTIVE 1 Create a five-year fund development plan	Complete
OBJECTIVE 2 Select elements achievable in 2011	Complete
Action Plan 1 Define and project operating expenses 2011	Complete
Action Plan 2 Conduct a minimum of three key fundraisers Great Blue Heron Open Wild Night Out Stewardship Fundraiser	Complete
Action Plan 3 Revitalize membership appeals	In progress
Action Plan 4 Establish framework for new fundraising and annual plan for 2011	Complete
Action Plan 5 Establish Sustainers Circle	No action
OBJECTIVE 3 Augment Finance Committee Functioning	In progress
Action Plan 1 Orient Committee to accreditation process; connect members to responsibilities	Complete
Action Plan 2 Prioritize critical actions; conduct monthly mtgs & sub-comm. mtgs; establish. 2012 budget	Complete
OBJECTIVE 4 Plan for financial resources for staff and volunteer needs	In progress
Action Plan 1 Seek grants	Ongoing, good success
Action Plan 2 Develop internships	In progress

Strategic Priority Two: Increase Organizational Capacity

Goal: Ensure corporate structure (Staff and Board) is organized and resourced

Objectives and Action Plans	Status
OBJECTIVE 1 Reconstitute and revitalize Board committee structure and add recommendations from LTA assessment	In progress
Action Plan 1 Conduct Board and committee self – evaluations	Complete
Action Plan 2 Strengthen Governance committee actions, focusing on board development and succession	Ongoing
Action Plan 3 Recruit new board and committee members	Ongoing
OBJECTIVE 2 Re-evaluate and identify staffing requirements	Complete
Action Plan 1 Evaluate alternative ways to meet needs	Complete
Action Plan 2 Actively recruit and train volunteers; seek interns	Ongoing
Action Plan 3 Recommend future staff needs to the Board	In progress

Strategic Priority Three: Insure Compliance with Laws

Goal: Review and revise corporate structure to insure alignment with mission and applicable federal and state laws.

Objectives and Action Plans	Status
Objective 1 Insure By-laws and Articles of Incorporation are aligned with NOHLC mission and operating practices	Complete
Action Plan 1 Report monthly or more frequently as needed to Board so they can review and act on recommendations; modify plan as needed.	Complete
Action Plan 2 Keep abreast through regular conferencing	Complete
OBJECTIVE 2 Insure that membership input is requested and respected; hold min. of 2 general meetings	Complete
OBJECTIVE 3 Implement needed actions to re-establish a fully functioning conservancy capable of acquiring new lands following LTA Standards and Practices	Complete
Action Plan 1 Recruit legal council members	In progress
Action Plan 2 Re-convene Ad Hoc Committee on By-laws	Complete

Strategic Priority Four: LTA Accreditation

Goal: Apply for accreditation with LTA by August 2011

Objectives and Action Plans	Status
<p>OBJECTIVE 1 Identify, prioritize and secure resources needed to prepare for accreditation application in 2011.</p>	Complete
<p>Action Plan 1 Develop work plan to manage accreditation standards compliance and application process.</p>	Complete
<p>Action Plan 2 Secure resources to produce all accreditation materials to submit complete application</p>	Complete
<p>Action Plan 3 Insure all office records and related records security systems comply with LTA standards prior to review by accreditation team.</p>	Complete
<p>Action Plan 4 Insure Board review and action where required for accreditation compliance</p>	Complete
<p>OBJECTIVE 2 Complete the application process; meet the applicable deadlines for LTA accreditation</p>	Complete

Strategic Priority Five: Prepare to Increase the Pace and Quality of Conservation

Goal: Based on 2010 Strategic Conservation Plan, prioritize NOHLC resources and engage stakeholders to resume new preservation in 2011.

Objectives and Action Plans	Status
OBJECTIVE 1 Implement our Strategic Conservation Plan	Ongoing
Action Plan 1 Establish Land Acquisition & Preservation Committee	In progress
Action Plan 2 Complete and fully document two acquisitions by accreditation deadline.	Complete
Action Plan 3 Work with collaborators and funding agencies to obtain needed acquisition and outreach and educational resources.	Ongoing
Action Plan 4 Complete outreach/educational materials to market S.C.P.	Complete
OBJECTIVE 2 Compile and present Recommendations to Board for concept approval and final adoption.	Complete

Strategic Priority Six: Manage current holdings for permanent protection of their conservation values.

Goal: Improve NOHLC stewardship practices according to LTA standards.

Objectives and Action Plans	Status
OBJECTIVE 1 Recruit and train sufficient volunteers for all aspects of stewardship.	Ongoing
Action Plan 1 Revitalize recruitment and learning opportunities.	Ongoing
Action Plan 2 Complete 100% property inspections and resolve all violations; address accreditation needs	Complete
Action Plan 3 Calculate funding needs and plans for obtaining the resources.	Complete
OBJECTIVE 2 Complete all Baseline Documentation supplements	Complete
OBJECTIVE 3 Adopt and implement Management Plans for all fee Properties	Complete
OBJECTIVE 4 Improve stewardship on NOHLC properties with Access Level 1 (open to public)	In progress
Action Plan 1 Improve access, signage and neighbor support	Ongoing
Action Plan 2 Organize work days and “Friends” volunteers	In progress, needs improvement