

NORTH OAKLAND HEADWATERS LAND CONSERVANCY

2013 Annual Report



The North Oakland Headwaters Land Conservancy (NOHLC) is a private, non-profit, donor supported organization with 41 years' experience in preserving open space in northwest Oakland County. Over 1,450 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.

Deer Lake Center, 7150 Dixie Highway Suite 2, Clarkston, MI 48346
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Introduction

Dear Conservation Supporters,

So much like the properties under NOHLC's care range from high points such as the Hall's "tallest point in Oakland County" peak to the marshy lows of Bridge Valley's fens, so did your conservancy experience peaks and valleys in 2013. High points like bringing in NOHLC's first full time Executive Director and the completion of its first complicated mitigation acquisition project contrasted with the low points of Administrative Assistant Penny Mason's departure from NOHLC and the Board's decision to move in a different direction with the Executive Director position. Even with the difficulty of navigating those valleys, however, 2013 should be considered a successful year for a variety of reasons.

First and foremost amongst 2013's successes stands the successful acquisition of property in Rose Township's Buckhorn Lake Complex. Completing this complicated, multi-partner acquisition provides NOHLC with valuable experience in the realm of mitigation projects and conserves high quality land which, in tandem with other acquisitions in the area, protects NOHLC's priority focus: water.

NOHLC also celebrates 2013's return to its Independence Township roots with the relocation of our office to the Deer Lake Center on Dixie Highway.

Finally, supporters should be excited about new acquisition projects in Independence and Brandon townships whose foundations were laid in 2013 but should reach fruition in 2014. These properties again fit NOHLC's priority focus of protecting waterways and wetland ecosystems, and represent the type of projects our mission statement calls for – those conserving the natural resources that protect the rural quality of life our supporters love.

As always, great thanks and appreciation go out to the supporters and volunteers who make all of this possible. The commitment and dedication you display is inspirational beyond words, and while many will never know how much your contributions have improved their lives in northwest Oakland County, we know, and will remain forever grateful for all you have done and continue to do.

Yours,



Chris Benedict, NOHLC Board President

NOHLC has interests in 57 properties totaling nearly 1,500 acres in seven communities.

The organization's mission is to protect the unique character of the natural resources and quality of life for the communities and future generations of northwest Oakland County.

None of this would be possible without our many committed supporters and volunteers!

NOHLC BOARD OF DIRECTORS AND STAFF

2013

Executive Director

Marie Donigan

Administrative Assistant

Penny S. Mason

Board President

Chris Benedict

Vice President

Kirk Falvay

Secretary

Susan Julian

Treasurer

Marilyn Zigarac

Past President

Susan Julian

Directors

William S. Edwards

Melanie Foose

Bette Moen

Paul Rabaut

Collin Walls

Performance Auditors

Mary Blanchard

Sue Topping

Events Coordinator

Susan Jones

2014

Interim Executive Director

Susan Julian

Administrative Assistant

Katie Chumack

Board President

Chris Benedict

Vice-President

Kirk Falvay

Secretary

Emily Duthinh

Treasurer

Marilyn Zigarac

Past President

Susan Julian

Directors

Melanie Foose

Sharon Gardner

Susan Julian

Bette Moen

Paul Rabaut

Performance Auditors

Mary Blanchard

Sue Topping

Bookkeeper/Consultant

Penny S. Mason

SUMMARY OF 2013 ACTIVITIES

1. New Protected Property

Buckhorn Complex. This large valley at the headwaters of Buckhorn Creek in Rose Township has long been of highest priority to preserve because of its expansive, unaltered landscape and presence of rare flora. Michigan Nature Association (MNA) had previously protected 134 acres there. MNA and NOHLC partnered in 2013 to acquire additional acreage that had been subdivided into lots and disturbed through infrastructure installation. NOHLC purchased two lots for \$60,000 and MNA purchased another two, leaving three still unprotected. A corporation that had filled wetland elsewhere in the watershed provided funding for acquisition and stewardship of NOHLC's 23 acres. This mitigation process was complicated, but by year's end a closing had occurred and NOHLC had signed a Conservation Easement and Stewardship Plan with the Michigan Department of Environmental Quality.

This success in the Buckhorn Complex led NOHLC to start negotiations on another mitigation property which is likely to be completed in early 2014. Donation of a wetland property from a trust is pending in Brandon Township. NOHLC was able to adhere to its Five Year Stewardship and Acquisition Plan, preserving more property and setting aside legal defense and stewardship funds as planned.

2. Development of New Income Sources

The Carls Foundation and The Larson Land Trust. In an exceptional vote of confidence, two foundations awarded NOHLC funding to support operations and a full-time executive director's salary. NOHLC will carry the \$20,000 from The Carls Foundation forward into 2014 and work to match that amount for hiring a new Executive Director.

Our conservancy took its first step in using "trade lands" to support the organization. A donor contributed a saleable 0.9 acre lot in December, which NOHLC will clear of invasives and then offer for sale. This practice of accepting non-cash donations is utilized by many non-profits and is endorsed, with appropriate safeguards, by The Land Trust Alliance.

Dedicated car donations handled by Charity Motors became a third source of new income in 2013. One donor specified that the income be used for signage in connection with removal of the invasive *Phragmites* reed in the Clarkston area.

3. Move to a New Location

NOHLC moved into Clarkston at 7150 Dixie Highway, Suite 2, in November. The conservancy had enjoyed years of low rent within the Springfield Township Civic Center and the township had allowed us to expand from one small room to a suite with a fabulous view. However, the Springfield Township Parks and Recreation Department needed more room.

The conservancy's move into a smaller space in a commercial office building necessitated finding off-site storage and rethinking our programming. Cedar Crest Academy's director Bette Moen offered free meeting space only two miles away, and volunteer Susan Jones supervised the move, ending up with six work stations in the new building so that volunteers can still be productive.

4. Expanded Stewardship

NOHLC takes seriously its obligation to steward the properties under its care in order to maintain the conservation values *in perpetuity*. In 2013, NOHLC monitored all but one of its properties and took extensive steps to remove invasive plant threats from a dozen locations. The Management

Plans for each property were reviewed and the actions for which there were both funding and manpower were prioritized. Although substantial volunteer man-hours power almost all stewardship work, a decision was made to hire professional assistance at Kimball Preserve to control the non-native buckthorn which was devastating the forest flowers and crowding out the normal floodplain forest. The Stewardship Committee will evaluate the success of this contracted work before deciding whether to continue to pay for professional ecological restoration.

Stewardship took two significant actions regarding the management of violations. It established a sub-committee to track and address violations, from minor trespass to serious incursions. NOHLC also joined TerraFirma Risk Retention Group, LLC, a Conservation Defense Insurance policy established by land trusts across the U.S. under the guidance of The Land Trust Alliance. This insurance, however, does not cover pre-existing violations. NOHLC elected to insure its easement properties only, and continue to handle violations on property it owns from its own resources.

5. Staffing Changes

In January of 2013, Marie Donigan started work as a full time Executive Director with a focus on fundraising and outreach. This increased NOHLC's paid staff to 1.5 FTE, with Penny Mason continuing as Administrative Associate and Sue Julian dividing her time between Land Acquisition and Stewardship on a volunteer basis. Ms. Mason resigned in June and the bookkeeping aspect of her work was filled by Heidi Patterson, who worked 4 days a week at neighboring Six Rivers Regional Land Conservancy. However, Ms. Patterson resigned citing conflicting demands, leaving a hole in administration. The Board decided to move in a different direction and terminated Ms. Donigan's at-will contract at the end of October. Sue Julian, who had previously served as Interim Executive Director, stepped back into the position, bringing twelve years of institutional knowledge back to NOHLC operations. Ms. Mason returned on contract to focus on bookkeeping and Katie Chumack, who had served as an intern in 2013, was selected to start 2014 as Administrative Assistant.

The 2014 year is likely to bring more stability to staffing and the Board has determined to initiate a wide search for the next Executive Director.

6. SEMIWild Collaboration

Three years of discussion led to the formal signing of a SEMIWild Memorandum of Understanding among nine conservancies in Southeast Michigan to jointly promote much higher awareness of conservancy work and to collaborate on specific land acquisitions. Michigan foundations are supportive of this collective work and NOHLC hopes that the outcomes of this collaboration will be 1) greater connection to NOHLC through social media, 2) increased volunteerism, membership and donations, 3) revenue from "Outposts" that promote the SEMIWild concept and sell themed items, 4) increased foundation support for joint preservation initiatives, and 5) major corporate buy-in for collective conservation.

The concept of SEMIWild, which is a pun on "semi-wild" lands and "SouthEast Michigan wild," is an appealing theme which is being pitched to "Pure Michigan" and statewide entities. All the involved conservancies are attempting to make the enterprise self-funding.

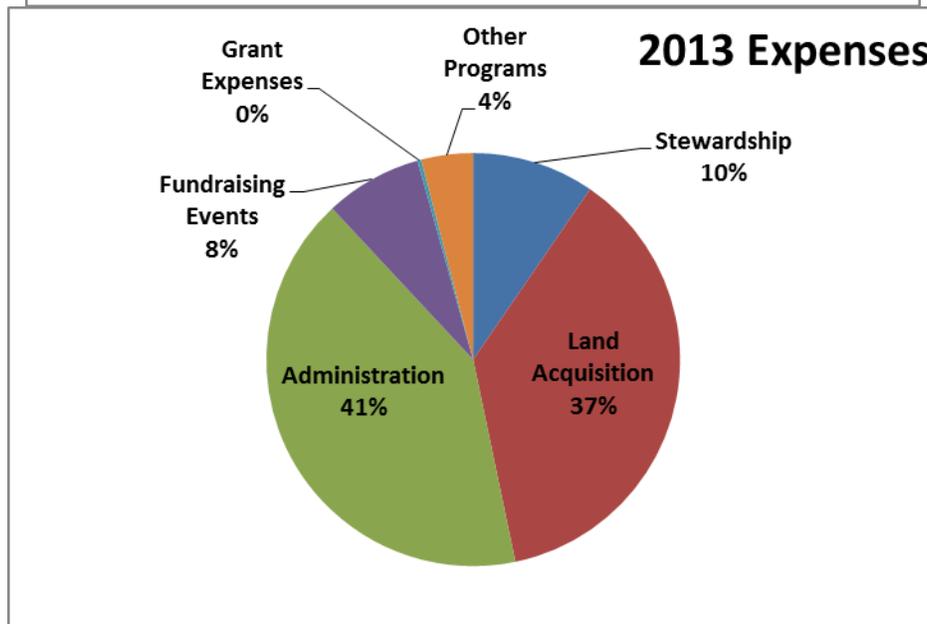
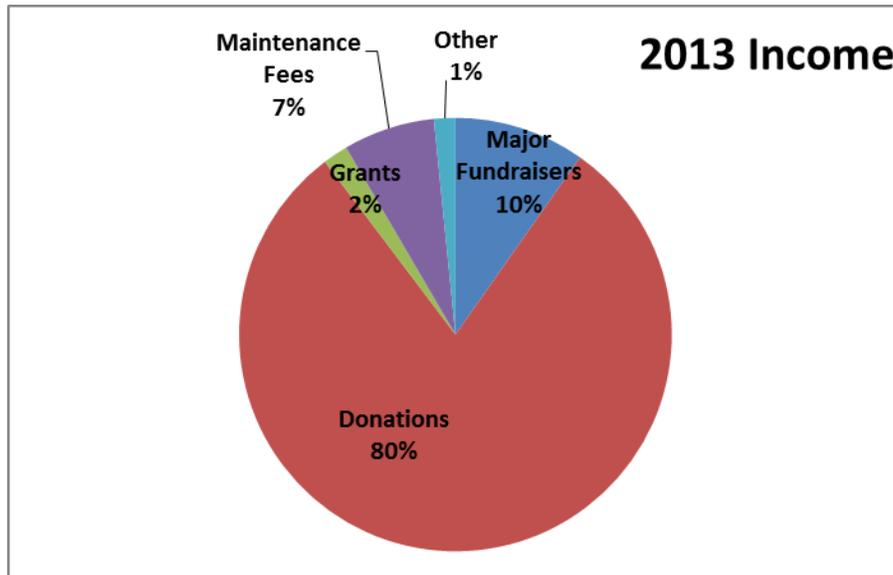
7. Financial Organization

Marilyn Zigarac, NOHLC Board Member and Treasurer, dived into a much needed examination of the conservancy's financial accounting procedures. Her 40 year career as a CPA has led her to correct Quickbook entries, our chart of accounts, and our method of presentation of financial reports. This effort will continue in 2014 and will likely be the subject of training offered by the Land Trust

Alliance, as there are many problems in common among Midwest conservancies and similar IRS reporting requirements. President Chris Benedict and Treasurer Marilyn Zigarac collaborated when the conservancy ran into a Solicitation License problem. In other matters of financial organization, Ms. Zigarac has been extremely helpful in 2013, making significant strides toward ensuring the Board has the clear and accurate information necessary to make sound financial decisions.

FINANCIAL CONDITION OF THE CORPORATION

Poorer than anticipated fundraising efforts led to NOHLC finish 2013 with a budget deficit of approximately \$7,000. The acquisition of two significant grants and a strong prior year fund balance helped offset this deficit, and a renewed effort to increase membership should provide financial strength in 2014.



ESTIMATION OF VOLUNTEER HOURS-CONTRIBUTIONS

Total Hours—Stewardship:	500	In-kind value:	\$10,000
Total Hours—Land Acquisition:	400	In-kind value:	\$ 8,000
Total Hours—Office Administration:	1,500	In-kind value:	\$30,000
Total Hours—Fundraising Events	<u>200</u>	In-kind value:	<u>\$ 4,000</u>
TOTAL:	2,600		\$52,000.00

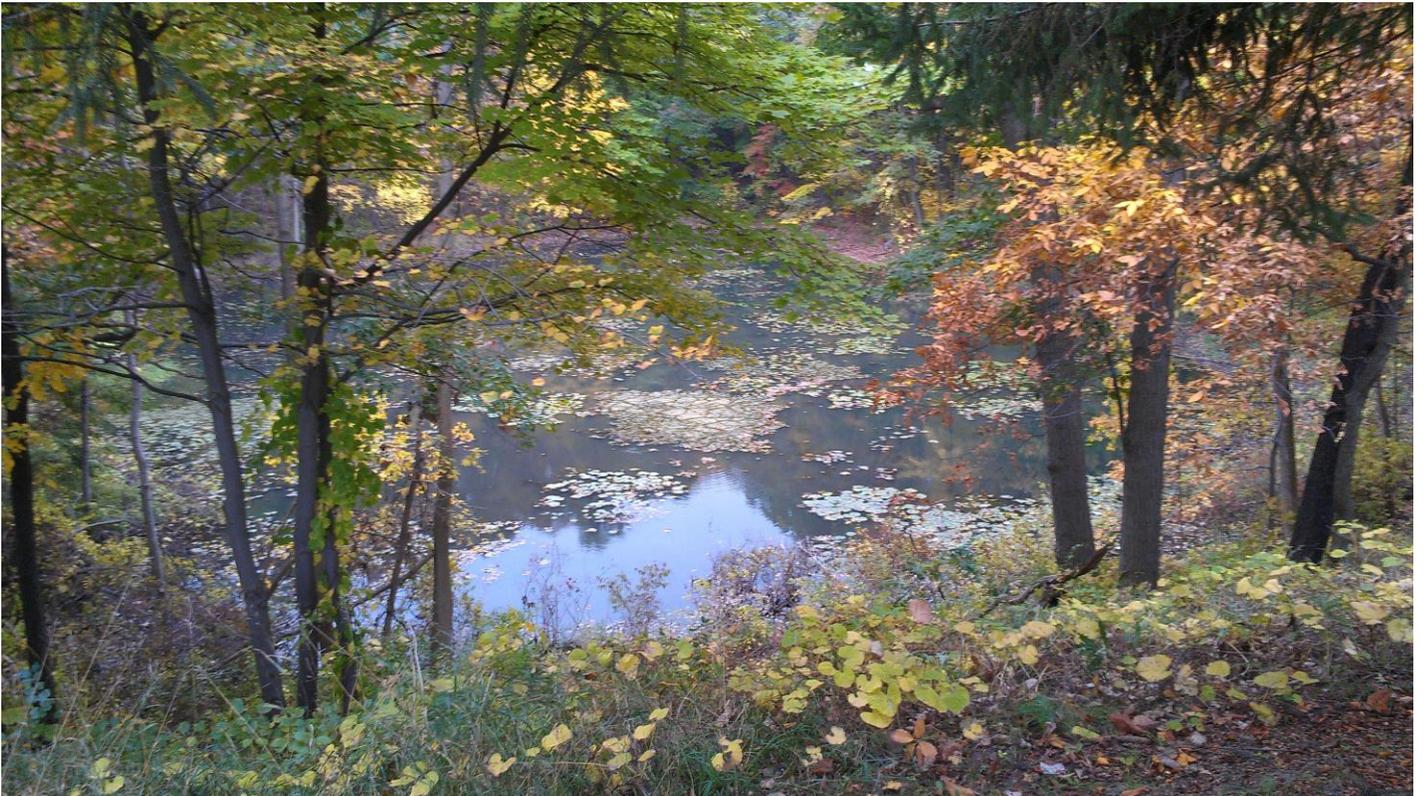
LIST OF ALL PROPERTIES AND INTEREST IN PROPERTIES

- | | | |
|---------------------------------|-------------------------------|-------------------------|
| 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 Easement | 51. Oakland Hill II |
| 4. Poquosin I | 28. Haddon Nursery | 52. Gill Landing |
| 5. Poquosin II | 29. Oakland Crest I | 53. Thread Creek Farm |
| 6. Steeple Ridge | 30. Bailey Preserve | 54. Hall's Connector |
| 7. Old Sturbridge | 31. Hummingbird Ridge | 55. Camp Wathana |
| 8. Whipple Tree Lane | 32. Whipple Lake | 56. Big Lake Trade Land |
| 9. Nolta-Brennan | 33. Liberty Golf Easement | 57. Buckhorn Complex |
| 10. Kimball Sanctuary | 34. Thomson Preserve | |
| 11. Keller Sanctuary | 35. Hidden Ridge | |
| 12. Cranberry Lake | 36. Ingomar Farms | |
| 13. Robert Shell Fen | 37. Victoria Preserve | |
| 14. Oakhill Hollow | 38. Dixie Preserve | |
| 15. Deerwood Hollow | 39. Princeton Preserve | |
| 16. Village Park | 40. Rattalee Shores | |
| 17. Heather Haven | 41. Forest Pointe | |
| 18. Round Lake Shores | 42. Clarkston Woods | |
| 19. Voorheis-Beardsley | 43. Davis Lake Overlook | |
| 20. Bridge Valley Reserve | 44. Eaton Hanging Fen | |
| 21. Oakland Hill I | 45. Holly Lakeview | |
| 22. Cedar Park II | 46. Oakland Crest II | |
| 23. Springfield Nature Preserve | 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 41 year existence.

NOHLC does sublet the office within its leased office space at the Deer Lake Center. The office is sublet to the Oakland Conservation District.



Big Lake Road "Trade Land" awaiting a buyer. The sloped property is buildable and zoned residential.