

Report to the Membership

Michigan 4-H Foundation
58th Annual Membership Meeting
Friday, October 7, 2011



Supporting
Michigan 4-H
Youth Development
to prepare youth
for meaningful and
productive lives.

President's Message to the Membership

Welcome to the 58th annual membership meeting of the Michigan 4-H Foundation.

First, my thanks for your generosity that continues to make possible 4-H's ability to impact the lives Michigan youth.

I've concluded one year as president of your board of trustees and I want to share what I've been privileged to learn or have reaffirmed from my experiences this past year.

In a time when young people are increasingly living in poverty, where school systems are increasingly challenged to meet critical educational outcomes, where opportunities for youth to learn, grow and develop in good ways are diminishing as resources are diminishing, the need and opportunity for Michigan 4-H Youth Development has never been greater!

Foundation trustees in strong partnership with MSU Extension and Michigan 4-H staff members have pledged to help launch a 4-H "Revolution of Responsibility" that ensures Michigan communities have:

- Accessible learning opportunities to increase both reading and science literacy and improve academic success for our young people.
- A committed corps of youth and adult 4-H leaders trained and ready to not just identify community challenges but take leadership in resolving those challenges.
- The knowledge, resources and will to ensure Michigan's young people know how to be and stay healthy both physically and emotionally.
- A viable, long-term strategy to ensure 4-H continues to serve youth in communities today, AND is still available for communities 100 years from today.

4-H has the capacity, the expertise and the opportunity to make and deliver on these promises to and for Michigan's communities.

I'm excited! And, I hope we can get you excited, too, because this commitment to Michigan's young people is going to need you.

Sincerely,



Smallwood Holoman, Jr.,
President, Michigan 4-H Foundation
Midland County

MICHIGAN 4-H FOUNDATION ANNUAL MEMBERSHIP MEETING October 7, 2011 from 10 a.m. to noon

Welcome and Introductions..... Vice President David B. Ramaker

- American and 4-H Pledges
- 2010-11 Year In Review

4-H Mission in Action

State 4-H Leader Report Dr. Julie A. Chapin,
State 4-H Leader and Director of the MSU Extension Institute
for Children and Youth

Kettunen Center's Value to 4-H Mission... Dr. Julie A. Chapin,
State 4-H Leader and Director of the MSU Extension Institute
for Children and Youth

Vision for and Investment in Kettunen Center... Trustee Polly Diehl,
Facilities Committee Chair

**The Impact and Promise of Kettunen Center--The First 50 Years
and Beyond.....** Mr. John F. Grix, Kettunen Center Director

Annual Business of the Membership

Secretary's Report..... Secretary Julie A. Chapin, Ph.D.

- Approval of minutes from October 1, 2010 annual meeting

Treasurer's Report..... Treasurer Ronald H. Schoen

- Financial overview
- Introduction of auditors and presentation of the
Michigan 4-H Foundation 2010-11 Audit Mr. Jeff Irwin,
President, McCartney & Company, P.C.

Board Development Committee Report ... Trustee Sally A. Stuby,
Board Development Committee Chair

- Trustee Elections

Executive Director Remarks..... Mrs. Cheryl D. Howell

- Ready, Set and Launched – Capital Campaign 2011-2018
- Acknowledgements

Remarks from the Membership

Closing Remarks..... Vice President David B. Ramaker

Trustees and special guests proceed to Clover Citation Luncheon
in the Ballroom, The University Club

2010-11 SUPPORT FOR MICHIGAN 4-H

State and County 4-H Program Support

In 2010-11, the Michigan 4-H Foundation's Board of Trustees granted \$396,366 to support state and county 4-H youth development programs. Eighty-five percent or \$336,491 supported statewide 4-H programs and \$59,875 or 15% was granted for county 4-H programs.

The foundation made no grants from foundation endowed funds but at June 30, 2011, all but two of the foundation's endowed funds were fully invested with some earnings growth. The Michigan 4-H Foundation endowment portfolio totals \$3.44 million of which \$2.78 million is held in permanently endowed funds. The portfolio consists of 60 endowments of which 21 are held for county 4-H program support. This endowed portfolio now has potential to provide approximately \$136,000 in annual grant support for Michigan 4-H.

4-H members were provided scholarships this past year totaling \$9,800 to support 4-H youth in higher or continuing education.

The board granted \$70,275 for volunteer training scholarships that are awarded for 4-H adults and older teens who attend training that takes place predominantly at Kettunen Center, the foundation's facility in Tustin, Mich. Kettunen Center operations in FY10-11 totaled \$1.3 million making it the most significant annual program expense of the Michigan 4-H Foundation.

Kettunen Center

Kettunen Center marked its 50th anniversary this year of providing place and space for 4-H volunteer leader training and teen leadership development.

The year-long observance was capped on August 13 where more than 100 participants gathered for a day of celebration that included the first ever Kettunen Center 5K Trail Walk/Run, outdoor recreational activities, lunch and a celebration program that featured keynote remarks from Russ Mawby, who was state 4-H leader at the opening of the Kettunen facility in 1961.

In 1956, four years after the Michigan 4-H Foundation was incorporated, the foundation purchased property in rural Osceola County. Later that year, the foundation launched its first major fundraising campaign to construct "Camp Kett," renamed "Kettunen Center" in 1972.

Kettunen Center Improvement Project, resulted in the construction of an earth-sheltered house for the Kettunen Center director in 1980. The Vision 2021 Campaign added the Mawby Learning Center and Red Oak Hall, and featured renovations to Aspen and Birch lodges, and new dining and administration facilities.

Last fall of the paving of 4-H Drive, the main road into Kettunen Center, was completed. The paving was

made possible through foundation donor support and partnership with the Osceola County Road Commission and Sherman Township.

Kettunen Center programming generated grants totaling \$11,200. These grants were contributed by the Arts Council of Greater Grand Rapids, Mecosta-Osceola United Way, Meijer, and the Osceola County Community Foundation.

Kettunen Center operations generated close to \$1.19 million in revenue for FY2010-11. The center hosted 185 events with 9,134 participants. 4-H adult and youth participants totaled 2,113 participants and Kettunen Center 4-H programming involved 2,437 participants.

Michigan 4-H Children's Gardens

Grant support for the Michigan 4-H Children's Gardens in FY10-11 totaled \$58,464 to support maintenance, programming and new garden development in the three gardens of the Michigan 4-H Children's Gardens – the original outdoor Michigan 4-H Children's Garden, the Indoor 4-H Children's Garden and the Smith Schoolyard Demonstration Garden.

The gardens hosted 95 schools this past season bringing a total of 3,992 students to the season's opening exhibit, Butterflies in the Garden, supported in 2011 with a renewed grant from Jackson National Life Company.

Engaged science learning experiences attracted 2,347 youth with 477 participants in the 2011 Seeds of Science program and 1,870 participants in Garden Discovery Days.

The annual partnership with the Capital Area Railway Society provided active train days every Thursday this summer and on other special event days. These train enthusiasts were responsible for providing a re-design of the train garden that served to strengthen train track placement and enhance the garden landscape to include new train tunnels and track features that added delightful detail to the garden's floral and greenery landscapes.

The gardens were on national display this year when the Michigan 4-H Children's Gardens co-hosted the National Children & Youth Garden Symposium July 21-23 with the Frederik Meijer Gardens and Sculpture Park. The symposium was headquartered in East Lansing and featured a keynote address from the garden's founding curator, Jane Taylor.

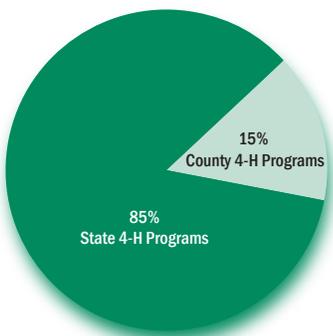
The gardens also hosted a tour sponsored by the American Society of Landscape Architects in August to showcase the importance of creating interactive gardens. The Michigan 4-H Children's Gardens is recognized internationally for encouraging engaged and sensory-focused interaction in the gardens – children are always invited to not just see, but to also touch, smell and taste during their visit to the gardens.

MICHIGAN 4-H FOUNDATION FINANCIAL SUMMARY IN BRIEF

For the years ended June 30, 2011 and June 30, 2010

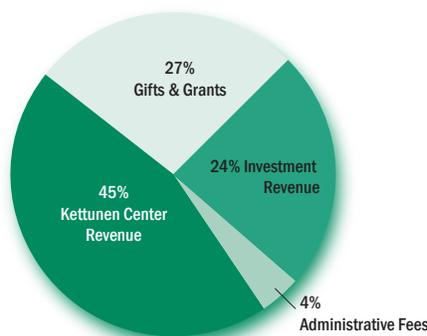
	June 30, 2011	June 30, 2010
ASSETS		
Current Assets	\$405,046	\$517,047
Net Fixed Assets (Primarily Kettunen)	3,568,503	3,671,705
Investments and Other Assets	4,114,436	3,180,147
Total Assets	<u>\$8,087,985</u>	<u>\$7,368,899</u>
LIABILITIES AND NET ASSETS		
Current Liabilities	\$221,521	\$184,637
Long Term Liabilities		
Agency Funds	325,041	194,521
Long-Term Debt	555,646	570,047
Total Liabilities	<u>\$1,102,208</u>	<u>\$949,205</u>
Net Assets	\$6,985,777	\$6,419,694
Total Liabilities and Net Assets	<u>\$8,087,985</u>	<u>\$7,368,899</u>
REVENUES AND SUPPORT		
Kettunen Center	\$1,187,021	\$1,119,625
Gift and Grants	\$715,963	\$819,314
Investments	\$623,251	\$262,228
Administrative Fees	\$116,451	\$119,524
Total Revenues	<u>\$2,642,686</u>	<u>\$2,320,691</u>
EXPENSES		
Kettunen Center Operations	\$1,388,983	\$1,318,018
4-H Program Grants	378,760	492,268
Administration	240,485	235,649
Fundraising	68,375	43,199
Total Expenses	<u>\$2,076,603</u>	<u>\$2,089,134</u>
Change in Net Assets	<u>\$566,083</u>	<u>\$231,557</u>

**Michigan 4-H Foundation
2010-11 Program Support**



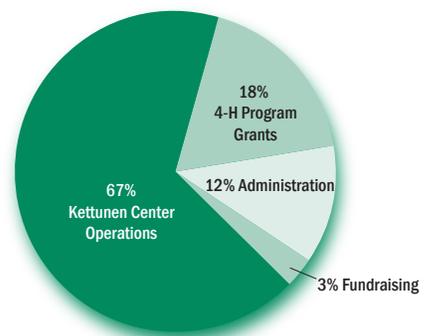
Total 4-H Grants Distributed:
\$396,366

**Michigan 4-H Foundation
2010-11 Revenue**



Total Revenue:
\$2,642,686

**Michigan 4-H Foundation
2010-11 Expenses**



Total Expenses:
\$2,076,603



2010-11 Annual Fund Drive

Goal: \$110,000

The 4-H Forever Annual Fund goal was to raise \$110,000 in unrestricted revenue for 4-H. For 2010-11, \$142,645 was raised or 129.7% of goal.

Unrestricted gifts help support the Michigan 4-H Foundation's annual commitment to 4-H volunteer training; they help to support new 4-H program development and allows the Michigan 4-H Foundation to make investments in emerging needs that serve to keep 4-H viable in communities throughout the state.

\$142,645

129.7%

2010-11 Special and Major Gifts Campaign

Goal: \$600,000

This year's special and major gift campaign goal was \$600,000. For 2010-11, \$653,321 was raised or 108.9% of goal. Of the total raised, trustee fundraising and giving accounted for 15% or \$99,412 of this amount. Direct mail, telemarketing and memorial and tribute gifts exceeded revenue targets.

\$653,321

108.9%

The Michigan 4-H Foundation had prioritized several areas for restricted support with the following results:

- 4-H Volunteer Training – \$70,000
- 4-H Volunteer Development – \$10,000
- 4-H Science, Engineering and Technology – \$78,000
- 4-H Endowment Growth – \$150,000

Michigan 4-H Foundation

Annual Membership Meeting Minutes October 1, 2010

In attendance were 16 trustees, 1 trustee emeritus, 1 honorary trustee, 2 former trustees, 12 members, 4 4-H staff members and 6 foundation staff members.

President Fitzpatrick called the 57th Michigan 4-H Foundation annual membership meeting to order at 10:05 a.m. at the MSU Henry Center. Trustee Mark Williams led the group in the pledges.

In the President's Address to the Membership titled 2009-10: A Year of Managing Transitions in Support of Michigan 4-H Youth, President Fitzpatrick discussed significant changes taking place. He noted that:

- Michigan 4-H Foundation grants for 4-H programming totaled more than \$458,000 in 2009-10 with \$409,098 in grants to support statewide programs and \$49,465 in grants to support specific county programs.
- The foundation also provided 4-H members with \$11,500 in scholarships for post-secondary and other educational support.
- The Michigan 4-H Foundation maintains an endowment portfolio valued at close to \$3 million. When whole again, this portfolio has potential to deliver approximately \$107,000 in 4-H program support each year.
- Kettunen Center represents a significant part of the foundation's annual program support at \$1.11 million which brings total 4-H program support in 2009-10 to \$1.56 million.
- It was great to spruce up Kettunen Center with the installation of new gardens and the addition of a disc golf course. And, Kettunen Center will be much better prepared for the snow with its new paved entry road.
- This past year, the board granted \$52,250 for 4-H adult and teen volunteer training scholarships.

President Fitzpatrick then introduced Dr. Julie Chapin, who on July 1, 2010 became the state 4-H leader and director of the new MSU Extension Institute for Children and Youth.

Dr. Chapin provided an overview of Michigan 4-H Youth Development within the restructuring of MSU Extension.

Dr. Norm Lownds, curator of the Michigan 4-H Children's Gardens, presented on Growing Curiosity and Wonder in Michigan's Young People: The Magic of the Michigan 4-H Children's Gardens. Dr. Lownds highlighted the 4-H Children's Gardens programs and distributed an envelope of seeds to all present.

President Fitzpatrick introduced the 2010 annual fund drive stating this year's goal of \$110,000 in unrestricted revenue. He shared that to date, 12% of that goal had been raised and invited members to help reach the balance of the goal. He also encouraged those present to visit their local Tractor Supply Stores for the second TSC 4-H Paper Clover Campaign Nov. 5-14, where customers can purchase a paper 4-H clover for \$1 and 70% of all proceeds raised from Michigan stores will support Michigan 4-H. Last March and April, more than \$28,000 was generated to support Michigan 4-H through clover purchases at Michigan's 63 stores.

Executive Director Howell then introduced the special and major gift campaign for 2010-11 with a goal of \$600,000. She shared that 18.3% or \$110,039 had been raised to date. She talked about opportunities for endowment investments including the 4-H Volunteer Recognition Endowment, the Michigan 4-H Legacy Fund, the 4-H Founder's Fund and the Michigan 4-H International Programs Fund.

President Fitzpatrick formally opened the annual membership meeting and invited Secretary Booth up to present the motion for the approval of the Oct. 2, 2009 annual meeting minutes. Trustee Polly Diehl moved to approve the 2009 annual meeting minutes as presented. Supported by Trustee Mark Williams; motion carried.

President Fitzpatrick presented the Treasurer's Report in the absence of Treasurer Mike McIntyre. He provided a summary report of the foundation's 2009-10 financial position. Total revenues were \$2.32 million with 86 percent generated from operations of Kettunen Center, 35 percent from the support of donors, 11 percent from investment revenue and 5 percent from administrative fees. Expenses last year totaled \$2.09 million with 87 percent spent on programs, 11 percent on administration and 2 percent on fundraising. For 2009-10 the foundation's net assets totaled \$6.4 million and total liabilities and net assets were at \$7.3 million.

President Fitzpatrick then introduced Mr. Jeff Irwin, president and independent auditor from McCartney and Company to present the foundation's 2009-10 audit. Mr. Irwin thanked Michigan 4-H Foundation and Kettunen Center staff for their assistance in the audit process. He reported the foundation was able to recover a portion of last year's endowment fund losses due to market gains.

Net assets increased by \$231,557. The financial statements present fairly the financial position of the foundation.

At this time, President Fitzpatrick introduced Trustee Smallwood Holoman, Jr., Board Development Committee chair. Trustee Holoman explained that the Nominating Committee was renamed to the Board Development Committee to better reflect the work of the committee. He noted that the foundation's board of trustees has the capacity for 30 members and that we currently have 23 trustees, but noted that with trustee retirements at this meeting, the board will consist of 20 trustees after the meeting.

Trustee Holoman presented Dr. Julie Chapin of Portland, state 4-H leader as a new permanent trustee and Diana "Dee" Miller, of Kalkaska, as the appointed trustee representing the Michigan Council of Extension Associates. He then presented two new youth trustees for confirmation that the board voted to elect at previously in the current year. These new elections to the board are: Carlos Guzman of Ravenna, a Muskegon County 4-H member and Kevin Thomas, II, of Belleville, a Wayne County 4-H'er.

Trustee Holoman presented the following current trustees being nominated for re-election to the board: Polly Diehl, Allan Hooper, Douglas Lewis, Mike McIntyre and Ronald Schoen. Trustee Holoman stated that this completed the nominations from the Board Development Committee. He entertained nominations from the membership, and hearing none, proposed a motion to accept the slate of both new and returning trustees as presented to the Michigan 4-H Foundation membership. Trustee Doug Lewis moved to approve the trustee slate. Supported by Trustee Emeritus Faye Adam; motion carried.

Executive Director Cheryl Howell thanked and acknowledged departing board members: Cheri Booth, Bob Patterson, Steve Rawlings, Phil Seitz, Mary Tatter, Mark Williams and Wayne Wood. She thanked these trustees for their untiring service to Michigan 4-H.

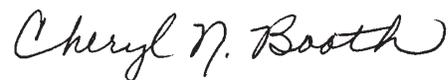
Mrs. Howell also acknowledged the loss this past year of a number of donors to the Michigan 4-H Foundation including: Mary VanAllsburg, Jack and Betty Barnes, Elizabeth Binda, Anne Marie Clabuesch, Ruth Smith-Eppelheimer, Milton Muelder, William Porteous, Marvis Richardson, Noel (Pat) and Virginia Ralston, Sylvia Fetter and Shirley Swancutt.

President Fitzpatrick then honored retired Trustee George House as trustee emeritus. He noted that the Michigan 4-H Foundation board may at its discretion recognize trustees as Trustee Emeritus, the highest honor afforded to trustees who have served nine or more years on the board and whose service is recognized by their board peers as far above and beyond. He congratulated Mr. House and he made a few remarks and thanks.

Mrs. Howell thanked everyone for attending the annual meeting. She recognized and thanked foundation staff for their support and preparations for this event. Mrs. Howell thanked the board for their support and encouragement for the work we continue to do for youth.

President Fitzpatrick provided directions for those joining us for the Clover Citation Luncheon and thanked everyone for attending. With no further business, he adjourned the meeting at 12 p.m.

Respectfully Submitted,



Cheryl N. Booth
Secretary

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Midland

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Kathy L. Kregger

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Norman K. Lownds

Michigan 4-H Children's Gardens Curator

Jamie Mielke-Mitchell

Kettunen Center Operations Manager

Abbey A.W. Miller

Communications & Annual Giving Manager



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About the Michigan 4-H Foundation

The Michigan 4-H Foundation is a not-for-profit 501(c)(3) organization dedicated to encouraging and supporting Michigan 4-H Youth Development to prepare youth from all segments of society for meaningful and productive lives. The Michigan 4-H Foundation is a \$7 million organization that seeks, manages and distributes support from private individuals, organizations, foundations and corporations to support the mission and vision of Michigan 4-H Youth Development.