

Report to the Membership

Michigan 4-H Foundation
51st Annual Membership Meeting
Friday, October 1, 2004



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

President's Message to the Members

Welcome to the 51st annual meeting of the Michigan 4-H Foundation!

Leading this organization through a time of significant transition and change has proven to me the value of what we as members and volunteers do for Michigan's young people. I want to thank you for your continued support and enthusiasm for the work of Michigan 4-H Youth Development.

We've witnessed support for 4-H programs in this state so overwhelming that it could stop a significant state budget overhaul in its tracks. We've been privileged to reach 55 percent of our \$15 million Campaign for 4-H goal even during some challenging economic times.

Despite critical loss of business through the year, we've seen Kettunen Center usage rally to end the fiscal year in the black. And we've seen an already popular venue, the Michigan 4-H Children's Garden, extend its impact to year round programming with the popularity of the new Indoor 4-H Children's Garden.

At our July strategic planning retreat, your board of trustees committed to some stretch goals to continue the wonderful success the foundation has enjoyed throughout its history. There was great energy and enthusiasm for the work ahead of us and support for the staffing team now in place to get this work done.

That enthusiasm is generated from the impressive work of volunteers working with young people throughout Michigan and the support modeled by you as donors and contributors to the Michigan 4-H Foundation.

Thanks for making it happen for Michigan's young people! Your support is for the only future we have – our children!



Victor L. Fulgoni, III
Michigan 4-H Foundation President
2002-2004

Michigan 4-H Foundation Annual Membership Meeting October 1, 2004 Agenda

9:30 a.m. to 11:30 a.m.

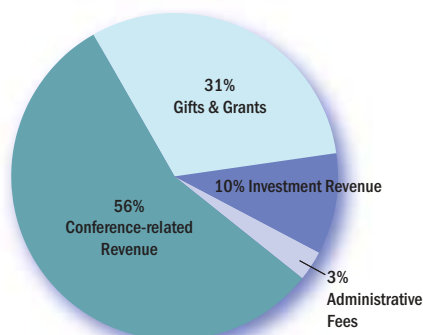
- Welcome and introductions – President Victor Fulgoni, III
- American and 4-H pledges – Immediate Past President Pam Babbitt
- Approval of 2003 Annual Meeting Minutes – Secretary Cheryl Booth
- President's Address – Trustee Victor Fulgoni, III
 - 2003-04 Michigan 4-H Foundation Support for Michigan 4-H Youth Development
 - Leadership Transition
- Treasurer's Report – Trustee Paul Clabuesch
 - Financial Summary, Michigan 4-H Foundation
 - Auditor's remarks, McCartney and Company, P.C.
- Nominating Committee Report – Trustee Faye Adam
 - 2004 Trustee Elections
- Celebrating 4-H Programming Partnerships, State 4-H Leader Cheryl Booth
 - Belize! An investment in international youth learning – Michigan 4-H 2004 Belize Delegation
 - Impact of Michigan 4-H Youth Development
 - Michigan 4-H Citation Awards:
 1. DTE Energy and Trustee Ray Bollaert
 2. Sandra Clarkson Stuckman
 3. Betty Hooker
- The Campaign for 4-H Report – Campaign Co-Chair Karley Hermans
 - 55 percent to goal and counting!
- Kettunen Center – John Grix, Director
- Michigan 4-H Children's Garden – Norm Lownds, Curator
- Executive Director's Remarks – Cheryl Howell, Executive Director
- Closing Remarks – President Victor Fulgoni, III

Michigan 4-H Foundation Financial Summary In Brief

For the years ended June 30, 2004 and June 30, 2003

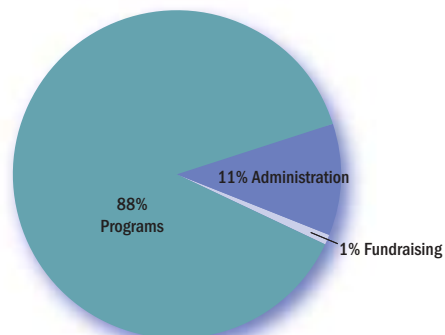
	June 30,2004	June 30,2003
ASSETS		
Current Assets	\$ 597,958	\$693,424
Net Fixed Assets (Primarily Kettunen)	4,237,034	4,455,689
Investments and Other Assets	<u>2,972,271</u>	<u>2,512,450</u>
Total Assets	\$ 7,807,263	\$7,661,563
LIABILITIES & NET ASSETS		
Current Liabilities	\$ 184,085	\$ 135,954
Long Term Liabilities	<u>426,077</u>	<u>391,756</u>
Total Liabilities	\$ 610,162	\$ 527,710
Net Assets	\$ <u>7,197,101</u>	\$ <u>7,133,853</u>
Total Liabilities and Net Assets	\$ 7,807,263	\$ 7,661,563
REVENUE AND SUPPORT		
Kettunen Center Revenue	\$ 1,195,128	\$ 1,391,280
Unrestricted	383,585	222,174
Restricted	<u>554,684</u>	<u>479,188</u>
Total Revenues	\$ 2,133,397	\$ 2,092,642
EXPENSES		
Program Expenses	\$ 1,820,876	\$ 2,069,312
Administration	225,976	349,686
Fundraising	<u>23,297</u>	<u>49,761</u>
Total Expenses	\$ 2,070,149	\$ 2,468,759
Change in Net Assets	\$ 63,248	\$ (376,117)

Michigan 4-H Foundation
2003-04 Revenue



Total Revenue:
\$2,133,397

Michigan 4-H Foundation
2003-04 Expenses



Total Expenses:
\$2,070,149

Michigan 4-H Foundation Accomplishments Supporting Michigan 4-H Youth Development State and County 4-H Program Support

The Michigan 4-H Foundation made grants to support Michigan 4-H programs in Fiscal Year 2003-04 totaling \$515,491. Of that amount, \$100,345 was distributed directly to counties to support local 4-H programs and \$415,146 supported state 4-H programs. The foundation supported 4-H volunteer training with grants of \$63,356. The foundation manages approximately \$1,745,570 in 23 perpetual endowed funds designated for support of state level programs and \$480,517 in 16 perpetual funds designated for county support. Additional reserve funds totaling \$276,828 are managed as endowments for annual support of state and county programming.

Some key highlights of this year include significant estate gifts which helped grow endowed assets and support general fund needs. This year there were also major corporate grants from Pfizer, DTE Energy Foundation and the Dow Chemical Company Foundation to fund a variety of new and on-going program initiatives. The foundation also received significant grants to support 4-H after-school initiatives in communities throughout Michigan.

Kettunen Center

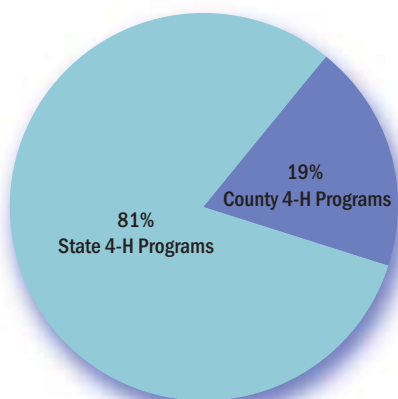
Kettunen Center, located in Tustin, generated \$1.2 million in revenue which supports the foundation's commitment to continuous and current development of Michigan 4-H Youth Development's volunteers. The center hosted 16 4-H adult and teen leadership trainings in 2003-04 and an additional 15 4-H learning experiences. Funding for these events were supplemented by revenues generated by an additional 199 non-4-H conferences hosted at Kettunen Center for government and other non-profit groups.

4-H Children's Gardens

Michigan 4-H Foundation funded \$150,000 in grants for educational programs offered through the Michigan 4-H Children's Gardens including internships for Michigan State University plant and soil science majors that work in the 4-H Children's Garden; and the Dow Connected Gardens project which uses technology to link schools, community groups and families to community gardens throughout the state as well as to the learning resources of the Michigan 4-H Children's Gardens. Both the outdoor and now the indoor Michigan 4-H Children's Gardens together attract more than 150,000 visitors each year.

**Michigan 4-H Foundation
Total Program Support**

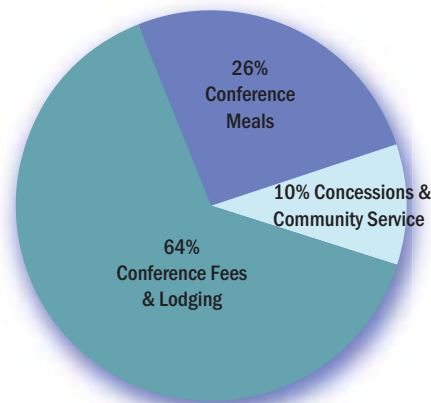
FY 2003-04



Total 4-H Programming Support:
\$515,491

**Kettunen Center
Revenue**

FY 2003-04

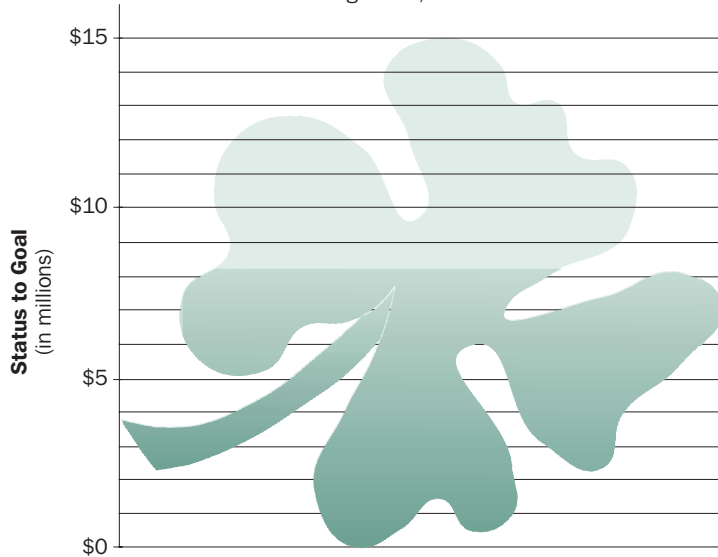


Campaign for 4-H Summary

55% to goal and counting!

Campaign for 4-H Status

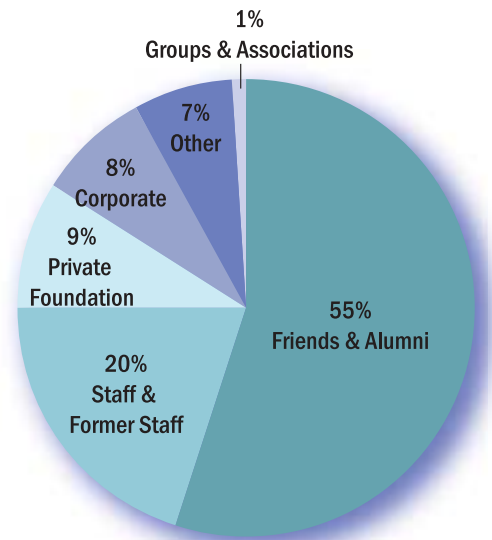
August 31, 2004



Campaign Goal: \$15 million
Campaign Status: \$8.25 million

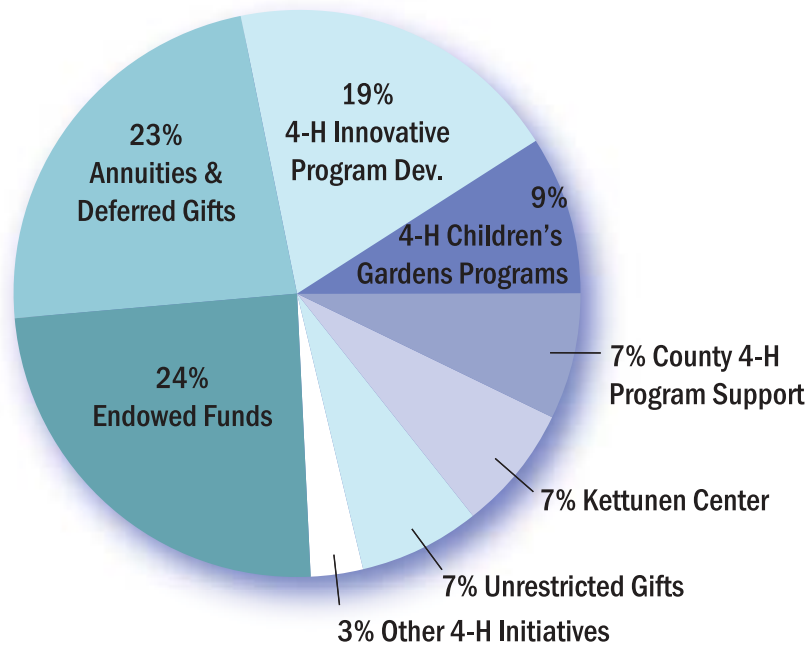
Campaign for 4-H Source of Gifts

August 31, 2004



Campaign for 4-H Allocation of Funds Raised to Date

August 31, 2004



Total funds raised: \$8.25 million
Goal: \$15 million

Michigan 4-H Foundation Annual Membership Meeting Minutes October 3, 2003

In attendance were 21 trustees, 1 trustee emeritus, three former trustees, 15 Michigan 4-H Foundation members, two county 4-H staff members, six state 4-H staff members and nine Michigan 4-H Foundation staff members.

President Fulgoni called the meeting to order at 10:07 a.m.

Vice President Tom Cobb led the group in reciting the pledges.

At this time, President Fulgoni asked everyone in attendance to stand and introduce themselves.

Secretary Cheryl Booth read the minutes from the 2002 Annual Membership Meeting. Trustee Wayne Wood motioned to accept the minutes. Trustee Greg McDaniel supported the motion. Motion approved.

Trustee Paul Clabuesch presented the financial condition of the foundation. Trustee Clabuesch stated that our largest source of revenue, Kettunen Center, suffered a major loss of income due to the decline in our Nation's economy. He also stated that the value of the foundation's stock portfolio did not go down. He said he believes the foundation has many challenges ahead to rectify the current situation, but these challenges are manageable.

At this time, Trustee Clabuesch introduced the Michigan 4-H Foundation's independent auditor, Randy Currie.

Independent Auditor, Randy Currie, distributed a detailed analysis of the foundation's financial condition. He discussed several of the key concerns for the foundation as well as pointing out the foundation's strong assets. He then opened up the discussion for questions and comments. None were brought up at this time.

Trustee Michael McIntyre, finance committee chair, spoke briefly on the status of the foundation. He indicated to those in attendance that indeed there are financial challenges and that the Board would be taking all appropriate steps to address the situation.

President Fulgoni opened up the discussion for question or comments at this time. President Fulgoni then made a motion to accept the 2002 Financial Audit. Trustee Mary Tatter supported the motion. Motion approved.

President Fulgoni introduced guest, former Michigan First Lady and former trustee Janet Blanchard. Mrs. Blanchard spoke to the audience about the event she and Governor Blanchard will host in their home for the Michigan 4-H Foundation's Campaign for 4-H.

President Fulgoni and Executive Director Terry Langston thanked Mrs. Blanchard for her support of the Campaign for 4-H. At this time, Mr. Langston also mentioned another event that will be hosted in the home of 4-H alumnus, Ray Mazurek, later this month. Mr. Langston stated that it is his goal to have 10 more events hosted in the home of Campaign for 4-H supporters.

At this time, President Fulgoni introduced Trustee Faye Adam, nominating committee chair. She recognized the trustees serving on the Nomination Committee. She then announced the candidates the committee has chosen to re-elect to serve a three-year term on the board of trustees. These candidates are Pam Babbitt of Muskegon, first elected to the board in 1985; Tom Cobb of Bloomfield Hills, a board member since 1998; Jeannette Hudson-Matyn of East China Township, first elected to the Board

in 2000; George House of Ada, a board member since 1979; and David Porteous of Reed City, first elected to the board in 2000.

The foundation's bylaws permit trustees to be elected at the annual meeting. Trustee Faye Adam then announced the four individuals who were elected to the board of trustees in early 2003. These trustees are Robert Patterson of Big Rapids, Jamey Fitzpatrick of Lansing and youth representatives Yolanda E. Haynes of Oakland County and Shelby Newman of Kent County. Trustee Faye Adam read a resolution to elect the new trustees. Trustee George House motioned to vote by affirmation. Motion supported by Trustee Greg McDaniel. Motion approved.

President Fulgoni introduced Trustee and Michigan 4-H Youth Development State Leader Cheryl Booth, Program Leader Cyndi Mark and Associate Program Leader Sheila Urban Smith. They gave a detailed presentation on the MSU Extension niche in after school programming. They spoke of the opportunities to keep children out of risky behavior and the multitude of programs to promote learning and leadership.

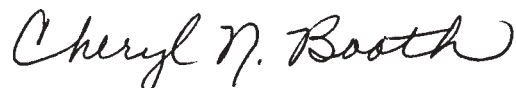
President Fulgoni called on Mr. Terry Langston to give his annual Executive Director's Report. He recognized Mr. Don Jost for his contribution to the foundation as the past executive director. Mr. Langston explained to the audience that since the kickoff of the Campaign for 4-H in July of 2000, the foundation has reached 48% of goal (\$7.25 million). He recognized the hard work of the campaign cabinet and the foundation staff. Terry called on trustee Tom Cobb to give a brief update on the Michigan State University's campaign for \$1.2 billion. Trustee

Tom Cobb stated that the University has surpassed the 50% mark of the campaign. Although endowment giving and contributions were slightly down from usual, the outlook is good. Mr. Langston then shared the goals for the foundation in terms of the campaign. He also mentioned that the foundation office will be moving to a new location in 2005. Mr. Langston ended his report with a statement of donations are not given to the foundation to build world-class facilities, it is to build world-class citizens via the children impacted by the programs the foundation supports.

President Fulgoni opened up the discussion to the members of the audience. Executive Director Emeritus Don Jost spoke. He shared his personal advice for the upcoming year and for the challenges that lay ahead.

Without there being any further business President Fulgoni adjourned the annual meeting at 11:46 a.m.

Respectfully submitted,



Cheryl N. Booth, Secretary
Michigan 4-H Foundation

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Senior Vice President
Nutrition Impact, L.L.C.
Battle Creek

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Paul Clabuesch
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Pigeon

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State Leader, 4-H Youth Development
MSU Extension
East Lansing

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Association, Michigan Division
East China Township

Michael D. McIntyre
Attorney/Certified Public Accountant
Michael D. McIntyre P.L.C.
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Patterson's Flowers, Inc.
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Attorney and President
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David G. Dickinson
Operations Manager, Kettunen Center

Andrea F. Grix
Educational Program Coordinator,
Kettunen Center

John F. Grix
Director, Kettunen Center

Laura M. Hamlin
Marketing Coordinator, Kettunen Center

Norman K. Lownds
Curator, Michigan 4-H Children's Gardens

Abbey A. Warren Miller
Communications Manager

Lauren Nelson
Business Administrator and
Human Resources Coordinator

Sara M. Saragosa
Executive Administrative Assistant



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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 has become a \$7.8 million organization that seeks, manages and distributes support from private individuals, organizations, foundations and corporations to support the mission and vision of 4-H youth development.