

Report to the Membership

Michigan 4-H Foundation
54th Annual Membership Meeting
Friday, October 5, 2007



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

President's Message to the Membership

In many ways each year, fall marks both endings and beginnings and such is the case this fall with the Michigan 4-H Foundation. Today, we celebrate and bring to a close the *Campaign for 4-H* which generated in its seven years more than \$10.3 million for Michigan 4-H Youth Development programs.

It is with your thoughtful generosity that the foundation each year over the past seven years provided scholarships to at least 25 4-H members and often more – that's more than 175 scholarships for post-secondary education for Michigan's young people. Your support allowed for new technology development for 4-H program delivery; new construction at Kettunen Center; important investments in volunteer training and volunteer recognition; and significant long-term commitments through endowments and planned gifts that will have young people benefiting from 4-H programming well into the future.

At the same time, we also launch a new era in Michigan 4-H Foundation fund development – the 4-H Annual Fund. This fall we will be asking those who care deeply about 4-H to consider making an annual fund commitment to ensure the great work started by the *Campaign for 4-H* continues well into the future.

We know that it is only with ongoing and increased annual support can 4-H innovation and its relevancy for today's youth continue to grow.

With great appreciation,



Philip A. Seitz
Iosco County

MICHIGAN 4-H FOUNDATION CAMPAIGN FOR 4-H CELEBRATION AND ANNUAL MEMBERSHIP MEETING

October 5, 2007

10 a.m. to 12 p.m.

Welcome and Introductions – President Philip A. Seitz

American and 4-H Pledges – Vice President Jamey Fitzpatrick

President's Address – Philip A. Seitz

"Your Support – The Key to Innovation in 4-H"

Celebrating \$10 Million for Michigan 4-H Youth Development

Campaign for 4-H Overview – The Impact of Your Support

Changing Lives – One 4-H'er At A Time

- Lydia Vanderbilt, Wayne County 4-H REACT team member, MSU Student

Creating Opportunity for Youth and Adult Partnerships

- Clayton Peck, Ingham County 4-H member
- Shawn Balenger and Hunter Usiak, Hiawatha Elementary School, Okemos

Moving Forward – The 2007 4-H Forever Annual Fund

President Phil Seitz and Executive Director Cheryl Howell

Annual Meeting of the Michigan 4-H Foundation Members

Secretary's Report – Secretary Cheryl N. Booth

- Approval of minutes from October 6, 2006 annual meeting

Treasurer's Report – Treasurer Mike McIntyre

- Financial overview
- Introduction of auditor and auditor's presentation of 2006-07 Audit – McCartney & Company

Nominating Committee Report – Faye Adam, Nominating Committee Chair

- Trustee Elections
- Trustee Recognition – Trustee Yolanda Haynes
- Trustee Emeritus Recognition

Executive Director Remarks – Cheryl D. Howell

Remarks from the Membership

Closing Remarks – President Philip A. Seitz

Campaign for 4-H Celebration and Clover Citation Luncheon

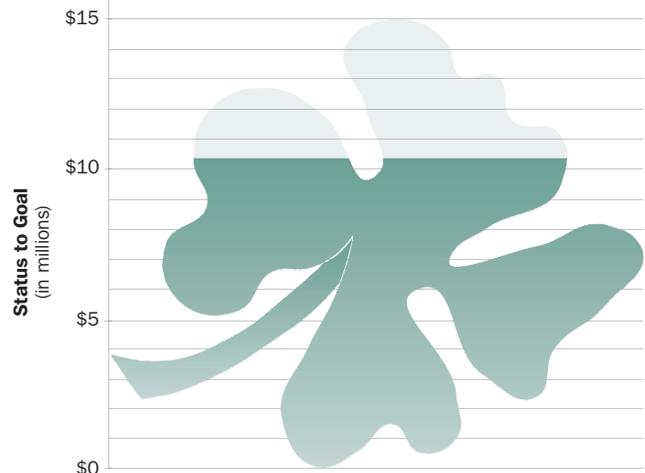
CAMPAIGN FOR 4-H SUMMARY

The Difference You Made:

- \$4 million in restricted and unrestricted program support.
- 12 new 4-H endowed funds exceeding \$1.04 million cash in 4-H endowment growth which includes the new unrestricted endowed funds for 4-H programs (Michigan 4-H Legacy Fund) and 4-H operations (Founder's Fund).
- \$1.89 million in investments in Michigan 4-H Children's Gardens. Resulting in creation of the new Indoor 4-H Children's Garden and the new outdoor Pete and Sally Smith Schoolyard Demonstration Garden.
- Facilities enhancements at Kettunen Center including improved wireless internet access; renovations of Cedar Lodge; new arboretum and trail developments.
- \$3.2 million in planned gift commitments dedicated to ensuring stable future support for 4-H.
- Campaign totals exceeded previous Michigan 4-H Foundation Capital Campaigns by almost \$7million.

Campaign for 4-H Status

June 30, 2007



Campaign Goal: \$15 million
Campaign Final Total: \$10.3 million

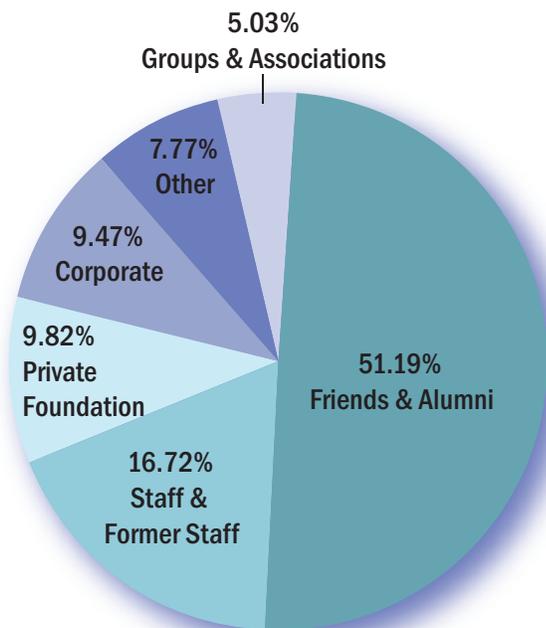
Campaign for 4-H Top five giving counties

As of June 30, 2007

1. Ingham
2. Oakland
3. Midland
4. Wayne
5. Kalamazoo

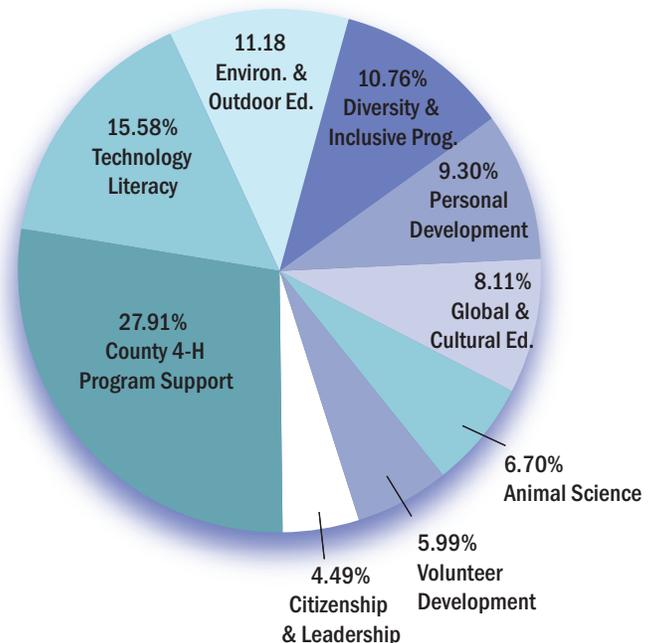
Campaign for 4-H Source of Gifts

June 30, 2007



Campaign for 4-H Innovative Program Development Allocation of Funds Raised

June 30, 2007



Total program funds raised: \$2,997,715.48

2006-07 SUPPORT FOR MICHIGAN 4-H

State and County 4-H Program Support

In 2006-07, the Michigan 4-H Foundation distributed grants for state and county 4-H youth development programs totaling \$452,189 including \$358,768 for state-wide programs and \$93,421 for county 4-H programs. These grants were distributed from donor-determined funds held by the Michigan 4-H Foundation.

Grants to provide scholarships for 4-H volunteer training totaled \$79,679 in 2006-07, providing training support to 1,700 4-H adult and older teen volunteers. Operations of Kettunen Center is the Michigan 4-H Foundation's most significant annual 4-H program expense at \$1.23 million this past fiscal year. The operations of Kettunen Center also provides general fund support for volunteer training scholarships and foundation endowed funds also contribute to the annual 4-H volunteer training scholarships.

The Michigan 4-H Foundation now has 33 state 4-H permanently endowed funds representing an increase of three new endowments established in the 2006-07 fiscal year for long-term 4-H program support. There are also 16 county 4-H endowments managed and stewarded by the Michigan 4-H Foundation. The foundation also offers the county fund investment program to help provide investment assistance through management of quasi-endowed funds for support of county 4-H programs. Eight county 4-H programs – Barry, Hillsdale, Huron, Lapeer, Lenawee, Oakland and St. Joseph counties -- and the state 4-H professional association, MAE4HYS, have county funds invested with the Michigan 4-H Foundation with a total value of \$328,013.

Kettunen Center

The Michigan 4-H Foundation's leadership training facility, Kettunen Center, generated \$1.29 million in revenue for the 2006-07 fiscal year. Located in Tustin, Mich., the center hosted 11,115 people who participated in 229 conferences held at the facility this past year.

4-H youth and adults totaling 1,727 from 74 of Michigan's 83 counties attended 4-H volunteer and youth development training workshops at Kettunen Center.

At the recommendation of the 4-H Use of Kettunen Center Committee, the Michigan 4-H Foundation invested this year in a 4-H promotional video to encourage greater 4-H participation in Kettunen Center workshops. We were also pleased to get the results of the work of this committee who over the course of two years did a survey to assess the impact of 4-H leader training at Kettunen Center.

In the exit survey of 723 4-H volunteers, nearly 74 percent indicated an increase in knowledge and skills in the workshop content area, and 82 percent planned on using their knowledge in the next six months with their

work with youth in communities. Six months later, 90 percent of workshop participants who responded to a follow-up survey of this same population, shared that they had used the knowledge and skills gained at their Kettunen Center workshop. This is an indication of the value of donors' support for the work of the foundation and Kettunen Center.

Michigan 4-H Children's Gardens

The Michigan 4-H Foundation provided \$147,455 in operation and program support in 2006-07 for the Michigan 4-H Children's Gardens which hosted an estimated 250,000 visitors in both the outdoor and indoor 4-H Children's Gardens.

The Michigan 4-H Children's Garden entered its 14 year of operation with programming that offered learning in plant science, but scanned a variety of other subjects such as music, literature, nutrition, history, entomology and the visual arts.

In the coming months, construction will begin to add an additional 2,500 square feet of garden themed space to the outdoor Michigan 4-H Children's Garden with the creation of the Pete and Sally Smith Schoolyard Demonstration Garden.

This new garden, funded by a gift from Margaret Marshall Murdoch, of South Carolina in honor of her sister and brother-in-law, will be designed to offer schools and other groups with limited garden space ideas for creating outdoor gardens for learning in school yards or community gardens that align learning with relevant Michigan educational standards for grades 1 through 5. The new garden will also feature a greenhouse, technology learning station and other elements reminiscent of schools such as the school lunch garden and science learning and experiment station.

Stabilizing Support for 4-H for the Future

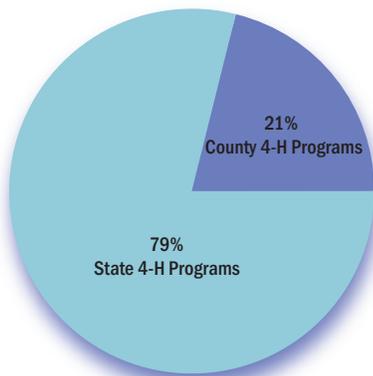
Two Michigan 4-H Foundation endowments – the Michigan 4-H Legacy Fund and the Michigan 4-H Founder's Fund – provide opportunities for donors to provide long-term unrestricted support for 4-H programs and operations. These endowed funds allow the Michigan 4-H Foundation flexibility in making investments where they are needed most in program innovation and in long-term operational support for 4-H. We will make ongoing growth of these two critical funds a priority for the Michigan 4-H Foundation and encourage donors to make a gift – current or planned – of any size as a critical investment in the future of Michigan 4-H Youth Development.

MICHIGAN 4-H FOUNDATION FINANCIAL SUMMARY IN BRIEF

For the years ended June 30, 2007 and June 30, 2006

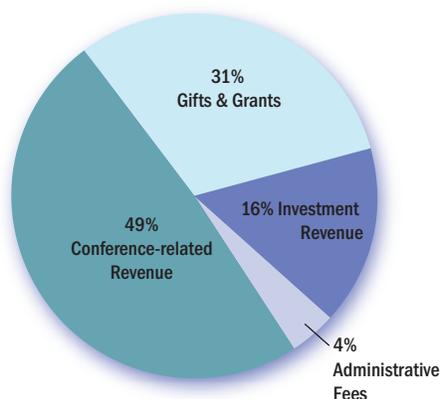
	June 30, 2007	June 30, 2006
ASSETS		
Current Assets	\$ 454,890	\$757,514
Net Fixed Assets (Primarily Kettunen)	\$4,125,123	4,243,118
Investments and Other Assets	\$4,034,296	2,979,882
Total Assets	<u>\$8,614,309</u>	<u>\$7,980,514</u>
LIABILITIES AND NET ASSETS		
Current Liabilities	\$ 141,646	\$401,172
Long Term Liabilities	<u>\$ 938,665</u>	<u>407,881</u>
Total Liabilities	<u>\$1,080,311</u>	<u>\$809,053</u>
Net Assets	\$7,533,998	\$7,171,461
Total Liabilities and Net Assets	<u>\$8,614,309</u>	<u>\$7,980,514</u>
REVENUE AND SUPPORT		
Kettunen Center Revenue	\$1,298,236	\$1,360,108
Unrestricted Revenue	\$ 384,290	403,644
Restricted Revenue	<u>\$ 941,279</u>	<u>543,758</u>
Total Revenues	<u>\$2,623,805</u>	<u>\$2,307,510</u>
EXPENSES		
Program Expenses		
Kettunen Center	\$1,428,690	\$1,382,220
4-H Programs	452,739	583,680
Administration	294,216	288,613
Fundraising	85,623	60,538
Total Expenses	<u>\$2,261,268</u>	<u>\$2,315,051</u>
Change in Net Assets	<u>\$ 362,537</u>	<u>\$(7,541)</u>

**Michigan 4-H Foundation
Total Program Support**
FY 2006-07



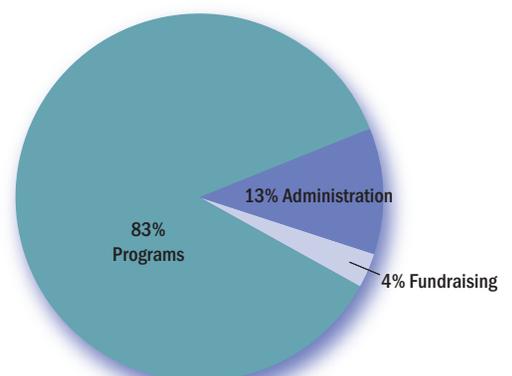
Total 4-H Programming Support:
\$452,189

**Michigan 4-H Foundation
2006-07 Revenue**



Total Revenue:
\$2,623,805

**Michigan 4-H Foundation
2006-07 Expenses**



Total Expenses:
\$2,261,268

Michigan 4-H Foundation

Annual Membership Meeting Minutes October 6, 2006

In attendance were 18 trustees, 1 trustee emeritus, 2 former trustees, 13 Michigan 4-H Foundation members, 10 state and county 4-H staff members, and 7 Michigan 4-H Foundation staff members.

President Cobb called the meeting to order at 10:10 a.m. At this time he asked everyone in the audience to please introduce themselves and state their affiliation with the Michigan 4-H Foundation.

Vice President Seitz led the group in reciting the pledges.

Secretary Cheryl Booth proposed a motion to adopt the 2005 Annual Membership Meeting minutes. Motion to accept the minutes as presented seconded by Trustee Polly Diehl; motion carried.

At this time President Cobb shared that when the membership gives to the Michigan 4-H Foundation, they are making a difference in the lives of the 230,000 young people reached by 4-H each year. He noted that Michigan 4-H Foundation grants for 4-H programming totaled more than \$630,000 in 2005-06 with \$510,523 in grants to support statewide programs and \$119,520 in grants to support specific county 4-H programs. President Cobb also shared that a significant part of the foundation's annual program support includes the operations of Kettunen Center which equaled \$1.2 million for 2005-06, bringing total 4-H program support to \$1.8 million.

President Cobb then introduced Karley Hermans, Campaign for 4-H Cabinet Co-Chair and Midland County 4-H alumna, to provide the Campaign for 4-H update. Ms. Hermans noted that at the end of the 2005-06 fiscal year, the Campaign for 4-H goal stood at \$9.43 million, but in the last three months activity has brought the campaign total to \$9.7 million as of August 31. Today the Campaign for 4-H stands at 65% of the \$15 million goal.

Ms. Hermans shared that individuals continue to be the foundation's largest source of support making up 67% of the campaign donor base. Of the funds raised at June 30, nearly 50% went to support state and county 4-H programs and 28% of campaign dollars have been focused on the nine 4-H programming priorities. Ms. Hermans noted that this year marks the last year of the campaign and we remain about \$5.3 million short of meeting the initial campaign goal. She ended by stating her belief that there are strong 4-H supporters who can still help us get to goal, and that whatever your capacity to give, every gift counts for 4-H.

President Cobb thanked Karley for the campaign update. He then noted that members of the Michigan 4-H Foundation are entitled to approve any changes to the foundation's articles of incorporation. The board of trustees is recommending the addition of a tenth article that outlines the limitations on liability for the volunteer trustees of the foundation. President Cobb brought the motion to the membership for review and

approval. Trustee Smallwood Holoman, Jr. motioned to approve the addition of the tenth article: Limitation on Liability. Seconded by Trustee Phil Seitz; motion carried.

At this time President Cobb welcomed Michigan 4-H Foundation Treasurer, Trustee Mary Tatter. Treasurer Mary Tatter reported that total revenues for 2005-06 were \$2.3 million with 59% generated from Kettunen Center operations; 30% from the generous support of 4-H through the Michigan 4-H Foundation; 9 percent from investment revenue and 3% from administrative fees. Expenses last year totaled \$2.31 million with 85% spent on programs; 12% on administration and 3% on fundraising. Expenses exceeded revenue by about \$7,500.

Treasurer Mary Tatter concluded that for 2005-06 net assets equaled \$7.17 million and total liabilities and net assets totaled \$7.98 million. She then introduced Jeff Irwin, president and independent auditor from McCartney & Company.

Jeff Irwin reviewed the audit statement and pointed out some new items to the membership. He opened up the discussion for questions and hearing none, concluded his report.

President Cobb introduced Trustee Faye Adam, Nominating Committee chair. Trustee Adam presented the trustee the board voted to elect at the April business meeting. This election to the membership is Steve Rawlings, North Regional Relations Manager of DTE Energy. Joining the slate of new trustees for election were two additional candidates. Elaine Bristol was nominated to fill one of the three designated youth trustee positions. Elaine is an Ogemaw County 4-H member and currently a senior at Ogemaw Heights High School. Claudia Scioly is a nominee from the Michigan Division of the Woman's National Farm and Garden Association.

Trustee Adam presented the following trustees being nominated for re-election to the board: Pamala Babbitt, co-owner of Babbitt Sports Center in Muskegon; Tom Cobb, a graduate of MSU and long-standing supporter of 4-H youth programs and Michigan State University; Jamey Fitzpatrick, president for Michigan Virtual University; George House, executive director of Michigan Allied Poultry; Robert Patterson, vice president of Patterson Flowers, Inc.; and David Porteous, founder and president of the Porteous Law Firm in Reed City.

Trustee Adam noted that this completed the nominations from the Nominating Committee. She 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 Seitz motioned to approve the 2006-09 trustee slate. Seconded by Trustee Holoman, Jr.; motion carried.

Related to the focus and mission of the Michigan 4-H Foundation, President Cobb invited Dr. Cheryl Booth, state

4-H leader and Michigan 4-H Foundation trustee, to discuss the impact of Michigan 4-H Youth Development for the fiscal year 2005-06. She shared that the number of Michigan 4-H volunteers increased from 23,879 to 32,619 in the past year and that there are currently 13,852 4-H clubs and groups in Michigan. Trustee Booth noted that the state of Michigan does very well in our numbers for reaching youth. She also noted that this year 4-H will emphasize career development for youth in order to better prepare them for the future.

At this time Trustee Booth introduced Dr. Julie Chapin, 4-H program leader for volunteer development, to discuss Mentoring Youth for the 21st Century. Dr. Chapin noted that volunteers are the very essence and foundation of our work in 4-H. She defined the roles of volunteers as educators, role models, facilitators of learning, and mentors. Dr. Chapin stated that for the past 3-4 years 4-H has been developing more planned and intentional mentoring in 4-H programs and clubs. She invited Lisa Bottomley, Ottawa County Extension educator and 4-H youth mentoring journey program manager, to share a special and successful mentoring story that changed the lives of one adult and one youth.

Ms. Bottomley shared her story and described how mentoring changes lives two at a time. She shared that 96% of mentors recommend mentoring to their friends and family. Dr. Chapin thanked Ms. Bottomley for her presentation and shared with the membership the counties in Michigan that are involved in mentoring programs. She then shared the priorities for volunteer and mentor development for Michigan 4-H in the upcoming years.

Mr. John Grix, director of Kettunen Center, provided an update on the operations of Kettunen Center. He noted that Kettunen Center is a place where 4-H leadership training and development occurs and that this has been their mission for 45 years. He noted that Kettunen Center is a success story because of donors, 4-H staff and users. Mr. Grix noted the measures of Kettunen Center's success as 1.) financial: for the fiscal year 2005-06 they had a \$60,000 surplus and had their record best month ever in August; 2.) physical changes: the remodeling of Cedar Lodge to make the facility more family-friendly and comfortable. He shared that the truest measure of their success at Kettunen Center is in volunteer leadership training because those volunteers go back into their communities and counties and change lives for the better.

Dr. Norm Lownds, Curator of the Michigan 4-H Children's Gardens gave a presentation on the activities of the gardens over the past year. He reminded the membership of the mission of the gardens: to understand why plants are important, to nurture curiosity and wonder, and to provide a place of enrichment. Dr. Lownds shared that between March and April they averaged 650 kids per week visiting the Butterflies in the Garden display. He also noted the success of the Seeds of Science program, and the online Wonder Wall that in just a 6-week period received 5,000 messages. Dr.

Lownds shared a couple of new garden programs: Jr. Master Gardener program and CG Horticulture for middle school and high school youth. This year the gardens will select a new education coordinator and they are also in the process of updating their Web site.

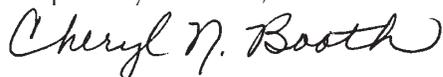
President Cobb introduced a new recognition designed to honor individuals and organizations whose contributions further the specific work of the Michigan 4-H Foundation and allow the foundation to do what we do to advance Michigan 4-H Youth Development. This is the first year that the Michigan 4-H Foundation Partnership Award has been presented, and President Cobb invited Patricia Caruso, Director of Michigan Department of Corrections, to accept this recognition. Since 1998-99, MDOC has maintained a close relationship with Kettunen Center and has identified the facility as their main location for mid-management training in Michigan. Specifically, MDOC holds 15-20 weeks of training annually at Kettunen Center, making them by far, the center's largest customer, resulting in annual revenues of \$175,000.

President Cobb noted that the Michigan 4-H Foundation Board of Trustees together develops a relationship that is close to family. The foundation wished to honor members of the board, who although retiring as members of the board, will remain part of the Michigan 4-H Foundation Family. President Cobb asked the membership to join him in thanking the following trustees for their service to Michigan young people: Ray Bollaert, Shelby Newman, Jeannette Hudson-Matyn and Paul Clabuesch.

After recognizing the trustees present with their honorary awards, President Cobb asked Mrs. Cheryl Howell, Executive Director of the Michigan 4-H Foundation, to provide her remarks. Mrs. Howell thanked everyone for joining the foundation's annual meeting and then thanked foundation staff for all of their hard work in preparing for the day's events. She recognized the board for their support and encouragement and asked 4-H program staff in the audience to stand up as well. Mrs. Howell asked the membership to thank outgoing President Cobb for his leadership and support over the past two years.

At this time President Cobb asked for any closing comments from the floor, and hearing none, adjourned the meeting at 11:44 a.m.

Respectfully submitted,



Cheryl N. Booth
Secretary, Michigan 4-H Foundation

Motion to Approve the Minutes:

The Michigan 4-H Foundation membership accepts the minutes of the October 6, 2006 annual membership meeting as presented.

BOARD OF TRUSTEES

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Rector, Episcopal Church
Hale

VICE PRESIDENT

Jamey T. Fitzpatrick

Vice President
Michigan Virtual University
Lansing

TREASURER

Michael D. McIntyre

Attorney/Certified Public Accountant
Michael D. McIntyre P.L.C.
Okemos

SECRETARY

Cheryl N. Booth

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

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Bloomfield Hills

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Faye A. Adam

Snover

Jeffery D. Armstrong

Dean, College of Agriculture
and Natural Resources
Michigan State University

Pamala R. Babbitt

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Muskegon

Elaine M. Bristol

West Branch

Sheila M. Burkhardt

Director, Member Relations and
Public Affairs
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Thomas G. Coon

Director, MSU Extension
East Lansing

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Dow Chemical Company
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Calhoun County MSU Extension Director
Marshall

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Director of Student Legal Services,
University of Michigan
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Robert J. Patterson

Vice President, Patterson's Flowers, Inc.
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David L. Porteous

Attorney and President
Porteous Law Office
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Claudia J. Scioly

Woman's National Farm & Garden
Association, Michigan Division
Ann Arbor

Mary E. Tatter

Watervliet

Wayne H. Wood

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Cynthia J. Boge

Program and Management Services Director

Andrea E. Grix

Educational Program Coordinator,
Kettunen Center

John F. Grix

Director, Kettunen Center

Laura M. Hamlin

Operations Manager, Kettunen Center

Lauren E. Heilman

Business Administrator and
Human Resources Coordinator

Lillie A. Kopke

Administrative Secretary

Norman K. Lownds

Curator, Michigan 4-H Children's Gardens

Jamie Mielke-Mitchell

Marketing Coordinator, Kettunen Center

Abbey A.W. Miller

Communications & Annual Giving Manager

Jonathan J. Riccio

Development 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 nearly \$8 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.