



FRIENDS OF

Lake Leelanau

A Public Foundation



2022 ANNUAL REPORT

Contents

02	DEDICATION
02	MISSION
03	LETTER FROM BOARD OF DIRECTORS
04	CAMPAIGN COMMITTEE
05	SUMMER "FRIEND RAISING" EVENTS
06	CAMPAIGN PROGRESS REPORT
07	HONOR ROLL OF DONORS
11	UPDATE ON INVASIVE SPECIES
13	PARTNERSHIP
14	FINANCIAL REPORT

Dedication

This annual report of Friends of Lake Leelanau is dedicated to the members of the Lake Leelanau community for their extraordinarily enthusiastic and generous response to the idea of establishing an independent public foundation to safeguard the health of Lake Leelanau far into the future.



Mission

The mission of Friends of Lake Leelanau, an independent public foundation, is to protect the waters of Lake Leelanau in perpetuity. Friends accomplishes this goal through an endowment, the income from which is distributed to tax-exempt organizations focused on improving the aquatic health of Lake Leelanau.



Letter from the Board of Directors

In 2021 the consequences of failing to deal with the threat aquatic invasive species present to Lake Leelanau became clear. As the cost and scope of programs required to address the Eurasian watermilfoil (EWM) grew significantly, it also became apparent that the Lake Leelanau Lake Association (LLLA) did not have the capacity to raise the several hundred thousand dollars needed each year to finance these programs. The goal of Friends is to address this long-term need – that is, to provide a source of funding to protect Lake Leelanau by making grants to qualified nonprofit organizations such as LLLA which can execute this work.

Work to establish Friends began in late summer 2021, when the board members consulted with legal and accounting advisors to set up the organization and develop fundraising materials. Many of these services were provided to the organization at no charge. The board would like to especially recognize and thank **Carol Rademacher** and **Bo Reahard** for their invaluable assistance launching Friends. Carol has volunteered her time as Friends' Campaign Coordinator, maintaining a record of all gifts, ensuring they are appropriately and promptly acknowledged, and helping organize fundraising events. Bo has volunteered his time to develop Friends' website and create and manage a database of prospects and donors.

In addition, the board would like to thank each member of the **Campaign Committee**, which orchestrated Friends' extraordinarily successful fundraising initiative in 2022. Thanks to the Committee's leadership, Friends was able to achieve significant fundraising success in its first full year of operation while keeping organizational and fundraising expenses low. Friends raised approximately \$5.9 million in 2022, while total expenses were less than \$6,000. Board members receive no compensation and Friends has no paid staff.

Most importantly, the board would also like to thank each person and family who have made a financial commitment to Friends. Your names are in the accompanying honor roll of donors. We are grateful for your enthusiastic embrace of Friends' mission, your awe-inspiring generosity and especially for your friendship.

Jennie Keller

President

Jim Grogan

Vice-President

Tom Hiatt

Vice-President



Campaign Committee

From the outset, Friends sought to build awareness in the community for the need for an organization such as Friends. In addition, Friends sought to engage members of the community to help breathe life into the new organization and coordinate a campaign to raise funds for Friends. With these objectives in mind, Friends established a Campaign Committee which held its first meeting in January 2022. Committee members have planned and hosted events in their homes, enlisted friends and neighbors, staffed booths, developed a social media campaign, and helped build and staff a float for the July Fourth parade.

The members of the Committee are:

Andrew Bradford	Amy Grogan Jui	Annalise Povolo
Charlie Boesel	Jennie, Darren and Madi Keller	Brian and Susan Price
Tony and Cathy Borden	Steve Martineau	Carol and Lonnie Rademacher
Hayward and Kathy Draper	Tad and Wendy McKay	Andy Rademacher
Sue and Michael Downs	Luke Nesbitt	Cory Rademacher
Bill and Leanne Grogan	Laura Reahard Obus	Tom and Cathy Reahard
Jim and Mary Jo Grogan	Elizabeth Reahard Oviedo	Bo and Stanley Reahard
Tom and Nora Hiatt	Laura Paine	Ron Reimink
Annie and Bill Hostetler	Diane and Tom Pelak	Ashley and Logan Suttman
Andy and Robin Jamieson	Nancy and Thad Popa	Andy and Elizabeth Walters

The Campaign Committee adopted a goal of raising \$8 million in gifts and pledges, many of which are payable over a three-year period. The Committee is currently organized into subcommittees which have assumed responsibility for planning events, raising awareness through social media, identifying prospective donors, managing a database of donors and tracking all pledges and gifts received.

Summer "Friend Raising" Events

Recognizing that the campaign needed to begin by educating community members about the seriousness of the threat presented by aquatic invasive species, the centerpiece of the Campaign Committee's strategy during the summer of 2022 was to hold a series of educational "friend raising" events in individuals' homes. The families listed below graciously agreed to host or co-host these events.

Hayward and Kathy Draper
Ashley and Logan Suttman
Christine and Adam Mouch
Annie and Bill Hostetler
Gary and Terri Coyle
Paula and Michael Todd
Nancy and Thad Popa
Tony and Cathy Borden
Bo and Stanley Reahard with co-hosts Tom and Sue Trumbull
Jack and Betsy Biggs with co-hosts George and Molly Barbee

Annie Hostetler, Robin Jamieson, Laura Paine, Nancy Popa and Carol Rademacher coordinated each of these events and ensured they were informative and fun. In addition, the Campaign Committee organized a float for the July 4th parade, launched a social media campaign and met in person in June, July and August at gatherings which were hosted by Tom and Cathy Reahard, Andy and Elizabeth Walters and Jim and Mary Jo Grogan, respectively.



Campaign Progress Report

2022 At A Glance

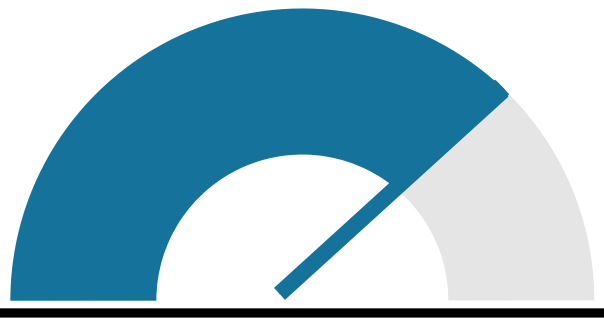
The summer's strategy was even more successful than the Campaign Committee anticipated. In all, members from approximately **150 families** attended the summer gatherings. Seven of the ten gatherings **each raised more than \$100,000** in gifts and pledges for the Campaign. By the end of 2022, Friends had received 168 gifts totaling \$5.9 million in gifts and pledges—commitments which demonstrate a remarkably strong level of support from the community. Of this total, Friends received approximately **\$3.1 million in cash** in 2022; the balance has been pledged.

168

DONORS

150

**FAMILIES ATTENDED
FUNDRAISING
EVENTS**



\$5.9M Received in Pledges





Honor Roll of Donors

Founders

Twenty-three individuals, families and institutions have **donated, pledged and/or raised \$100,000 or more** for the Campaign, earning these supporters the distinction of being named Founders of Friends of Lake Leelanau.

If you would like to join this list of community leaders, please send a note to any one of the board members or to Carol Rademacher, Campaign Coordinator, at crademac55@gmail.com

Anonymous

Ashken Family

Jack and Betsy Biggs

George and Molly Barbee and Family

Emil and Maureen Brolick and Family

Gary and Terri Coyle

Hayward and Kathy Draper

Jim and Mary Jo Grogan and Family

Tom and Nora Hiatt and Family

Annie and Bill Hostetler and Family

Howard Charitable Foundation

Jennie and Darren Keller and Family

Rob Kurnick Family

William and Deborah Lipner and Family

Tad and Wendy McKay and Family

Tom and Cathy Reahard and Family

Bo and Stanley Reahard and Family

The Riverside Inn

Three Cords Foundation

Paula and Michael Todd and Family

Tom and Sue Trumbull

Ashley and Logan Suttman and Family

Mark and Anne Woolsey

Honor Roll

Friends of Lake Leelanau recognizes with great gratitude those individuals and families who made contributions in 2022. The Honor Roll below reflects contributions received by Friends through December 31, 2022. Please note that many of the commitments Friends has received are in the form of multi-year pledges. The Honor Roll does not include pledge payments yet to be received. It also does not include commitments and payments received in the first quarter of 2023, which will be included in 2023's Annual Report.

Contributions of \$100,000 or More

Hayward and Kathy Draper
Annie and Bill Hostetler and Family
Howard Charitable Foundation
Jennie and Darren Keller and Family
Rob Kurnick Family
Tom and Cathy Reahard and Family
Three Cords Foundation

Contributions of \$50,000 to \$99,999

Anonymous
Ashken Family Charitable Foundation
The Wilfred and Joan Larson Endowment at the Grand
Traverse Regional Community Foundation
Steve and Deb Martineau
Rick and Marlee Snowdon
Ann Stack
The Riverside Inn

Contributions of \$20,000 to \$49,999

Anonymous
Tag and Marta Birge
Emil and Maureen Brolick and Family
Jim and Mary Jo Grogan and Family
Tom and Nora Hiatt and Family
Bruce and Kim Olson
Paula and Michael Todd and Family
Andy and Elizabeth Walters
Harold and Jane Wiese

Contributions of \$10,000 to \$19,999

Anonymous
Kate and Dan Appel
George and Molly Barbee and Family
Joan and Chuck Bennison and Family
Bob and Sally Biggs
Barb and George Cochran
Pam Fortune
Judy Frederick
Jeremy Jakary
Tom and Diane Leugers
Debbie and Bill Lipner
Laura Paine
Bo and Stanley Reahard III and Family
Joel and Linda Zylstra

Contributions of \$5,000 to \$9,999

Adams Legacy Foundation
Lois Bahle and Larry Mawby
Bill Enchermer and Martha Leugers-Enchermer
Georgiana Fenton
Jim and Laurie Kletzien
Craig and Lisa McConnell
Tad and Wendy McKay and Family
Josh and Taylor Mick
Nancy and Thad Popa
Carol and Lonnie Rademacher
Ralph and Taylor Reahard IV
Ben and Louise Scott
In Honor of a Friend from Carol Vittert and Henry Holt III
Ann and Warren Watkins
Jim and Kit Wysor

Honor Roll

Contributions of \$1,000 to \$4,999

Anonymous
Ed Arlin and Deborah Greenman
Jack and Betsy Biggs
Judy and Jon Birge
Anne and Eric Blanchard
Turner and Anne-Sophie Booth
In Memory of Gene and Rita Bulkowski from
 Doug and Jane Bouwman
William and Margee Bracken
Alexander and Sally Bracken Family Fund
Andrew Bradford
David Buchanan
Cathy and John Burns
William Fortune Butz and Richard Jock Davis
Betty Clarke
Dorothy Jean Coulter
Scott Craig
Lori and Dean Crutchfield
Darlene Doorlag
Tom and Cheryl Drumm
Bruce and Lynn Dunn
John and Gina Erb
Nancy and Jeff Fisher
FlexChecks Inc.
James and Sally Friend
Patrick and Christy Gaughan
Norbert Gits
Chuck and Mollie Hall
Matthew and Amelia Hayden
Hoensheid Family Fund at the Grand Traverse
 Regional Community Foundation
Edith Mead Holway
Terrance Howe
Andy and Robin Jamieson

Michael and Linnea Keen
Tom and Sally Kimpel
Alan Kirby and Theresa Pleasants
Carol LeGray
In Honor of Martha Leugers-Encherman from
 Matthew and Maureen Leugers
Dan and Susan McDavid
Allan and Mary McKisson
Frank and Penny Mead
Cindy and George Meeker
Richard and Sally Meese
Rita and Jerry Palmer
Diane and Tom Pelak
Stephen Redding
Dewey and Jane Renneker
Richard and Stacey Roberts
Chris Rutkowski
Joe and Kelly Sarafa
Tim and Lucy Schaub
Linda and Jim Shad
Kate and Coenraad Stassen
John and Marjorie Stoller
Dan and Debra Stricoff
Nora and Chelsea Suttman
Daryl and Lynn Telgard
Winifred J. Tharp
D'Vera G. Topol
Tom and Sue Trumbull
Gil Wheeler

Contributions of \$500 to \$999

Anonymous
Kathryn Balcerski
Denise and Stuart Butterfield
Mike and Sue Downs

Honor Roll

Contributions of \$500 to \$999 (continued)

Dave and Kim Furbush
Bill and Leanne Grogan
Susan and Kelly Haun
Scott and Jane Larigan
Robert and Maria Mackenzie
In Honor of Tom and Nora Hiatt from
 Kate Ecker and John Mackie, Jr.
Thomas Muszynski
Alice Neild
Carter and Tania Neild
Tony and Sherry Sajkowski
Michael and Teri Steichen
Cindy and Steve Strong
In Honor of Katherine Hall Wheeler from
 Dr. Katherine Vestal

Contributions up to \$499

Jim and Ann Bingham
Ken Blaze
Beth and John Cafaro
Alan and Deb Campbell
Judy and Michael Carmean
Karen Chase
David and Dorothy Couturier
Jeff and Tamara Cutler
Deb and Neal Fellows
George France
Paul and Marianne Gard

Victoria Gits Trust
Diane and Tom Hoban
Kathy and John Jahoda
Fred and Sandra Koehler
Dan and Heidi Leugers
Gene and Susan Mapes
John and Nannie Maxwell
Susan and Steve Maybriar
Andrea Mosbaugh
Susanne Mosier
In Honor of Anne Leugers Lipp
Brooke Nash and David Kabaker
North Lakes Estate Association
In Honor of Paula and Michael Todd from
 David and Sara Osborn
Susan Pandorf and David Noling
Christine Pfennig
John and Gail Popa
Andrew and Jennifer Powell
Sarah and Jeff Ragains
Lindsley Raines
Robert and Katie Roberts
Rotary Endowment at the Grand Traverse Regional
 Community Foundation
Mary Jo Sleder and Rick Meyer
Martha Topol and David Kirby
Amy Tumblin
Richard Voss
Sara and George Wellman
Jim Wenstrup



An Update: Addressing the Threat of Aquatic Invasive Species in Lake Leelanau

The Lake Leelanau Lake Association (LLLA), in conjunction with its partner, the Grand Traverse Band of Ottawa and Chippewa Indians (GTB), continues to lead the fight against aquatic invasive species in Lake Leelanau. Although the Association received no financial support from Friends in 2022, a key reason Friends was established was to create a public foundation which will be able to underwrite work like this in the future. Many donors to Friends are also members of the Lake Association.

Friends encourages readers of this report, who may not be members, to join the Lake Association, since the missions of the two nonprofits are complementary and both are critical to the protection of Lake Leelanau. Please see the accompanying chart which highlights the distinctions between the two organizations. Should you wish to join LLLA, please visit the organization's website at lakeleelanau.org or email Barb Kobberstad at bkobberstad@gmail.com

The Lake Association's comprehensive program to address aquatic invasive species in Lake Leelanau encompasses three distinct operations: prevention, monitoring and control. The program initially focuses on controlling the highly invasive plant, Eurasian watermilfoil (EWM).



Prevention

In the summer of 2022, LLLA completed the construction of its second boat washing station, a high-pressure water cleaning station located at the DNR boat launch just south of the Narrows. Together with the air/wet vacuum cleaning station at the DNR Bingham launch on the South Lake, which LLLA installed last summer, LLLA is making strides in its efforts to prevent the spread of aquatic invasive species. In 2023, LLLA plans to move the existing station from the Bingham launch to another DNR launch in Leland, which gets considerably less boat traffic. LLLA plans to construct two new high-pressure water boat cleaning stations on the South Lake, replacing the one at Bingham and installing another at the DNR West launch site. That will bring the total number of boat cleaning stations on Lake Leelanau to four by the end of 2023.

Monitoring

LLLA substantially increased its use of aerial drones last summer. Because the technology allows operators to identify single strands of EWM from an aerial photo, these drones enabled LLLA to:

- Conduct two benchmark surveys, one in the summer and a second in the fall, to monitor the number, size and locations of the EWM infestations in Lake Leelanau;
- More accurately define the location of beds of EWM using GPS coordinates, enabling LLLA to place the burlap blankets more precisely; and
- Undertake a full survey of both South and North Lake Leelanau to identify and map *all* aquatic vegetation, including both native and invasive species, in both lakes.



Control

The summer field season of 2022 marked the third full season of efforts by the LLLA and the GTB to bring EWM under control in Lake Leelanau using non-chemical methods. This year LLLA expanded its EWM management team to a total of six. Joining Brian Price (LLLA's Lake Biologist), Annalise Povolo (LLLA's Director of Administration and Programs and leader of the dive team), and Dan Mays (GTB's Inland Policy Biologist), were Ron Reimink (LLLA's EWM Project Manager) and two SCUBA divers. Brian subsequently retired as Lake Biologist on December 31, 2022. Ron Reimink assumed that position on January 1, 2023.

This year, the team covered a total of 2.4 acres of EWM infestations with biodegradable burlap blankets. These barriers prevent EWM from receiving sunlight. By eliminating the plant's ability to photosynthesize, the plant and its roots die. In total, LLLA and GTB have worked together to place more than six acres of lake bottom blankets in Lake Leelanau over the past three years.

After three years of battling EWM, this team has gained a great deal of expertise dealing with a species scientists have identified as the most invasive aquatic plant in North America. Among many other insights, the team has concluded that (i) lake bottom blankets are the most effective method of eradicating EWM known to date; (ii) treating smaller infestations with small burlap "micro-barriers" is more effective than trying to remove small beds of aquatic weeds by hand; (iii) burlap barriers break down approximately two years after placement; and (iv) native plants are recolonizing areas treated with burlap barriers, growing through and on top of the barriers, due to the presence of the seeds of these beneficial plants in the substrate below the barriers. A key element of the team's strategy has been to prevent EWM from reproducing by flowering and setting seeds. Should this happen, EWM could spread more quickly and persist in the lake for a much longer time. To date, the team has seen no flowering EWM plants and believes that no seed bed for EWM has been established in Lake Leelanau. Annual monitoring will be required to make sure EWM plants are removed before they flower, however, as the consequences for Lake Leelanau should this happen are incalculable.

Preliminary data received from LLLA's programs and the research Ron Reimink and Annalise Povolo are conducting in conjunction with Grand Valley State University and GTB have enabled LLLA to develop a detailed work plan for the 2023 field season. The team is cautiously optimistic that 2023 will be one of the most significant years yet in LLLA's continuing program to prevent, monitor and control EWM in Lake Leelanau.

Friends of Lake Leelanau & Lake Leelanau Lake Association

/ Two Independent Organizations



Friends



Lake Association



Inception

August 2021

The mission of Friends of Lake Leelanau is to protect the waters of Lake Leelanau in perpetuity. Friends accomplishes this goal through an endowment, the income which is distributed to tax-exempt organizations focused on improving the aquatic health of Lake Leelanau.

1980

The Association, a 40-year-old organization with 500 members, is leading the charge to coordinate and implement programs necessary to protect Lake Leelanau in the short term.



Type of Nonprofit

Foundation

The Foundation's priority is to develop a long-term mechanism to finance the prevention, monitoring, and control of invasive species and other threats to Lake Leelanau. Gifts to the Foundation will be placed in an endowment fund. An \$8 million endowment fund is expected to generate approximately \$300,000 to \$325,000 annually in income.

Association

Donations and membership dues help fund the Association's current programs to prevent, monitor, and remove aquatic invasive species, construct boat cleaning stations, monitor water quality, protect the shoreline, and educate individuals on boating safety and lake stewardship.



Finances

\$8,000,000

Income generated annually from the endowment will be distributed to fund programs to prevent, monitor, and control aquatic invasive species in Lake Leelanau.

\$420,000

The Association's annual budget funds the nonprofit's ongoing protection activities. Approximately 75% of the Association's annual budget, or more than \$300,000, is spent on preventing, monitoring and controlling aquatic invasive species in Lake Leelanau.



Governance

The Foundation is currently governed by three board members:

- **Jennie Keller**, President
- **Jim Grogan**, Vice President and Treasurer
- **Tom Hiatt**, Vice President and Secretary

Tom is also currently serving as President of the Lake Leelanau Lake Association and is acting as a liaison between the organizations.

Carol Rademacher is serving as the Campaign Coordinator for Friends and also attends all board meetings.

The Lake Association is governed by 15 board members and guided by four officers:

- **Tom Hiatt**, President
- **Kathy Birney**, Vice President and Treasurer
- **Nancy Popa**, Vice President
- **Lori Oberson**, Secretary

In addition, a number of other individuals with experience in finance, lake ecology, law, government, communications, and business serve on the Association's committees and task forces.



Supporting Lake Leelanau for the *long-term*

Friends was formed to solve a long-term problem. No existing organization, including the **Association**, has the capacity to raise the funds needed to protect Lake Leelanau year after year. The Foundation seeks to address this critical need.

Financial Report

Friends of Lake Leelanau is in the process of gathering assets. The board and campaign committee are raising funds, with a goal of reaching **\$8 million in contributions**. To enable the organization to reach this goal efficiently, Friends does not anticipate making grants until January 1, 2025. Between now and then, Friends' board plans to continue to build the organization's assets by reinvesting any interest and dividends earned.

On December 31, 2022, Friends had cash and investments valued at approximately **\$3.1 million**. Because many services have been donated and most of the organizational and campaign work is being performed by volunteers, the organization's total expenses since its inception in the fourth quarter of 2021 through the end of 2022 total approximately **\$5,700**. Friends' board receives no compensation and Friends has no paid staff. Friends does not maintain a physical office. The organization had no liabilities at the end of 2022.

In addition to these assets, Friends' has received written and verbal pledges for an additional **\$2.8 million**. Nearly all of these pledges are expected to be paid in 2023 and 2024, although a few of the pledges have a longer payment period. At the end of 2022, all donors were current on their pledge payments.

Investment Committee



In 2022 Friends' board of directors established an Investment Committee. The members of the Investment Committee are Jennie Keller, Darren Keller, Jim Grogan, Tom Hiatt, and Tom Reahard.

The Investment Committee, in turn, engaged an independent investment management firm, the **KCP Group**, to manage the nonprofit's assets. At the end of 2022, the KCP Group operated as a unit of Stifel, a large national investment banking and financial management firm. Early in 2023, the KCP Group, which manages approximately \$10 billion in assets, elected to spin out of Stifel and re-establish itself as an independent wealth management advisory group under the name of **Sapient Capital**. The transition is underway in the first quarter of 2023. Friends understands that the KCP Group's clients are in the process of joining the management team at Sapient and anticipates that the transition to the new firm will be successful.

Friends has engaged an independent accounting firm, **Gabridge & Company** of Traverse City, Michigan, to audit the organization's finances from inception in late 2021 through the end of 2022. The audit will be posted to Friends' website, friendsoflakeleelanau.org, once the audit has been completed.



FRIENDS OF

Lake Leelanau

A Public Foundation

GET INVOLVED

